

FILING COPY

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

SILIXA LTD (the “Company”)

(Registered No. 06207412)



Circulated on 15 November 2016 (the “**Circulation Date**”)

The following special resolutions are copies of the written resolutions of the Company agreed to by the members of the Company entitled to vote on 15 November 2016 in accordance with Chapter 2 of Part 13 of the Companies Act 2006

SPECIAL RESOLUTIONS

1. Adoption of new articles of association

“THAT the articles of association attached hereto, and initialled for the purpose of identification by a director of the Company, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company ”

2. Authority to allot

“THAT in accordance with section 551 of the Companies Act 2006 (the ‘2006 Act’), the directors of the Company be generally and unconditionally authorised to -

- (a) allot Preference Shares C in the capital of the Company up to an aggregate nominal amount of \$50,000, and
- (b) create and allot B Ordinary Shares in the capital of the Company up to an aggregate nominal amount of £10,

such shares having the rights and being subject to the restrictions set out in the articles of association proposed to be adopted by resolution 1 above provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of the passing of this resolution. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the 2006 Act.

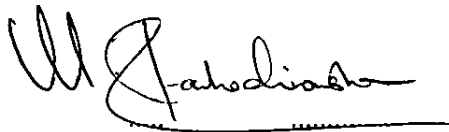
3. Disapplication of pre-emption rights

“THAT, subject to the passing of resolution 2 above and in accordance with section 570 of the 2006 Act, the directors of the Company be generally empowered to allot the shares pursuant to the authority conferred by resolution 2 above as if each of -

- (a) section 561(1) of the 2006 Act,
- (b) any provision of the Company’s articles of association (whether those in force immediately prior to the passing of this resolution 3 or the articles adopted by resolution 1 above) giving a right of pre-emption on the issue of shares in the Company, and
- (c) any provision of any other agreement or arrangement giving a right of pre-emption on the issue of shares in the Company,

did not apply to any such allotment provided that this power shall,

- (d) be limited to the allotment of shares up to the aggregate nominal amounts set out in resolution 2 above, and
- (e) expire on the fifth anniversary of the date of the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on that date) ”



Director
Silixa Ltd

23/01/2017
Date



THE COMPANIES ACTS 1985 AND 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SILIXA LTD

(adopted by Written Resolution passed on 15th ^{NOVEMBER} ~~October~~ 2016)

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THE COMPANIES ACT 1985 AND 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SILIXA LTD

(Adopted by Written Resolution passed on 15th ~~October~~ ^{NOVEMBER} 2016)

1 DEFINITIONS AND INTERPRETATION

- 1.1 In these Articles, unless the context otherwise requires, the following words and expressions have the following meanings -

2006 Act the Companies Act 2006,

Act the Companies Act 1985 as amended, re-enacted or replaced from time to time,

acting in concert has the meaning attributed to it at 18 March 2010 by the City Code on Takeovers and Mergers,

Auditors the auditors for the time being of the Company,

A Ordinary Shares: the A ordinary shares of £0.01 each, in the capital of the Company,

Available Profits profits available for distribution within the meaning of the Act,

Bad Leaver has the meaning given to it in Article 12.4.3,

Board the board of directors (or the directors present at a duly convened meeting of the directors at which a quorum is present) of the Company,

B Ordinary Majority the holder(s) of over 50% of the B Ordinary Shares for the time being in issue,

B Ordinary Shares: the B ordinary shares of nominal value £0.01 in the capital of the Company,

B Ordinary Shares Preferred Return: has the meaning given to it in Article 5.3,

B Ordinary Tag Amount has the meaning given to it in Article 14.6 (subject to Article 14.7),

Business Day any day (other than a Saturday or a Sunday) on which clearing banks are open for normal business in the United Kingdom,

connected with has the meaning given to it in Section 839 Income and Corporation Taxes Act 1988,

Control means, in relation to a person, where a person has (i) direct or indirect control of more than fifty percent (50%) of the voting rights at general meetings of shareholders (participants) or similar managing bodies of that person, (ii) the right to appoint more than fifty percent (50%) of the board of directors, the management board or other management body of that person, or (iii) the right to appoint the CEO of that person,

CTV: CTTV Investments LLC, a Delaware limited liability company with an office at 6001 Bollinger Canyon Road, San Ramon, CA 94853,

CTV Group: Chevron Technology Ventures (a division of Chevron U.S.A. Inc.), Chevron U.S.A. Inc., Chevron Corporation or any entity owned or controlled by either Chevron U.S.A. Inc. or Chevron Corporation,

Deferred Shares: non-voting deferred shares of nominal value £0.01 each in the capital of the Company,

Drag Along Trigger: any of the following

- (a) LRP declaring that in its opinion (acting reasonably) an Insolvency Event is likely to occur,
- (b) the date is 31 December 2015 or later, or
- (c) the date is 12 months or later after a Liquidity Request is made

Disposal: the completion (whether in one transaction or a series of transactions) of the sale or transfer of the whole or substantially the whole of the undertaking or assets of the Group,

Employee Trust any trust established to enable or facilitate the holding of Shares by, or for the benefit of, all or most of the *bona fide* employees of any Group Company,

equity share capital has the meaning ascribed in Section 548 of the 2006 Act,

Equity Shares the A Ordinary Shares, the Ordinary Shares and the B Ordinary Shares,

Exit: any of

- (a) a return of capital on liquidation, dissolution or winding up of the Company,
- (b) any other distribution or return of capital by the Company to a holder of Shares (other than by way of capitalisation of reserves),
- (c) a Sale,
- (d) a Disposal, or
- (e) a Listing,

Experts the Auditors unless the Auditors give notice to the Company that they decline an instruction to report on Fair Price in which case the Experts shall be a firm of chartered accountants or other qualified financial adviser (including an investment bank) agreed between the Leaver and the Board (with Lead Investor Consent) or, in default of agreement within ten Business Days after the first name being proposed by one of them, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Leaver or the Board,

Family Member in relation to a Member, his spouse and/or any one or more of his children or grandchildren (including step-children and step-grandchildren),

Family Trust in relation to a Relevant Employee, a trust or settlement set up wholly for the benefit of that person and/or his Family Members including a self-invested personal pension scheme which is a regulated scheme within the meaning of the Finance Act 2004,

Financial Conduct Authority the Financial Conduct Authority or any body with responsibility under legislation replacing the FSA for carrying out regulatory actions,

Founders Mahmoud Farhadiroushan and Tom Parker, being two of the parties to the Investment Agreement,

FSMA the Financial Services and Markets Act 2000,

Garden Leave shall mean any period during which the Company or other Group Company shall, in respect of an employee and pursuant to the service contract between the Company or relevant Group Company and that employee, cease or have ceased to provide that employee with work and withdraw or have withdrawn his right of access to any premises of the Company and any other Group Company,

Good Leaver has the meaning given to it in Article 12.4.1,

Group the Company and all its subsidiaries and subsidiary undertakings for the time being and **Group Company** shall be construed accordingly,

Insolvency Event means

- (a) any application, notice, resolution or order being made, passed or given for or in connection with the winding up, liquidation, dissolution, administration or reorganisation of any Group Company,
- (b) any Group Company becoming subject to any insolvency, reorganisation, receivership (whether relating to all or some only of its assets), liquidation, dissolution or other similar proceedings, whether voluntary or involuntary and whether or not involving insolvency,
- (c) any Group Company assigning all or any of its assets for the benefit of its creditors generally (or any class thereof) or entering into any composition or arrangement with its creditors generally or any arrangement is ordered or declared by a court of competent jurisdiction whereby all or any of its affairs and/or assets are submitted to the control of, or are protected from, its creditors, or
- (d) any Group Company becoming subject to any distribution of its assets in consequence of insolvency, reorganisation, liquidation, dissolution or administration,

Issue Price the price at which the relevant Share is issued, including any premium thereon,

Investment Agreement the Agreement relating to the Company dated 18 March 2010 and made between (1) the Company, (2) Mahmoud Farhadiroushan and another, (3) LRP, and (4) CTV as amended, waived, restated, modified or supplemented from time to time,

Investor each of CTV, LRP and Statoil so long as it holds any Shares and any other person who undertakes to perform the obligations of an Investor under a deed of adherence for so long as it holds any Shares,

Investor Consent the prior consent in writing of an Investor Majority, which consent may be confirmed in writing by a LRP Director or the Lead Investor (or Lime Rock acting as its agent),

Investor Direction a notice signed by or on behalf of an Investor Majority, which notice may be signed by a LRP Director or the Lead Investor (or Lime Rock acting as its agent),

Investor Group in relation to an Investor, means that Investor's Group i.e. the CTV Group or the LRP Group or the Statoil Group and **member of an Investor Group** shall be construed accordingly,

Investor Majority the holder(s) of over 50% of the A Ordinary Shares for the time being in issue,

Investor Proportions the proportions in which the Investors hold A Ordinary Shares,

Lead Investor: LRP,

Lead Investor Consent: prior written consent of the Lead Investor (or Lime Rock acting as its agent),

Leaver

- (a) any Member who ceases, or has ceased, to be a Relevant Employee and in the case of MJLS, where Mr Longton ceases, or has ceased, to be a Relevant Employee, MJLS shall be deemed to be a Leaver and, for all purposes under these Articles, the Shares held by MJLS treated as if they were held by Mr Longton,
- (b) any Member who is (or is the nominee of) a Family Member of any person who ceases to be a Relevant Employee,
- (c) any Member (not being an Investor) holding Shares as a result of a transfer made after 18 March 2010 by a person in relation to whom such Shareholder was a permitted transferee under the provisions of Article 11 (Permitted Transfers) who ceases to be a permitted transferee in relation to such person, including, without limitation, any Member who ceases to be the spouse of a Relevant Employee,
- (d) any person who holds or becomes entitled to any Shares as a consequence of -
 - (i) the death of a Member,
 - (ii) the bankruptcy of a Member (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Member (if a company), or
 - (iii) the exercise of an option after ceasing to be a Relevant Employee, or
- (e) any Member holding Shares as a nominee for any person who ceases, or who has ceased, to be a Relevant Employee in respect of the Shares held on behalf of such person,

and for these purposes, a Member shall be deemed to cease, or have ceased, to be a Relevant Employee upon the commencement of any period during which the relevant individual is placed on Garden Leave pursuant to his service contract with the Company or other Group Company, notwithstanding that the relevant individual remains an employee of the Company or any other Group Company provided that such Member ceases, or has ceased to be a director of the Company or of any other Group Company,

Leaver's Shares all of the Shares held by a Leaver or to which he is entitled, on the Leaving Date and any Shares acquired by a Leaver after the Leaving Date under an employee share scheme save that, if the Leaver is a Qualifying Leaver, the foregoing shall be read as referring to 50% (rounded up) of each class of Shares which would otherwise have been covered by the foregoing,

Leaving Date

- (a) where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, the later of the date of that notice and the date (if any) for the termination expressly stated in such notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination),
- (b) where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), the later of the date of that notice and the date (if any) for the termination expressly stated in such notice,
- (c) where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, the date of such acceptance by the employee or employer respectively,
- (d) where a contract of employment is terminated in any other manner, the date on which the person actually ceases to be employed by the employer,

Lime Rock Lime Rock Management LP, whose principal place of business is at 274 Riverside Avenue, Westport, Connecticut 06880, USA,

Liquidity Event a Listing or a Sale,

Liquidity Request a written request made by an Investor Majority at any time following the occurrence of a Liquidity Trigger, that the Company uses its best efforts, so far as lawful, to consummate a Liquidity Event within 180 days of such request being made,

Liquidity Trigger: either of -

- (a) the date being 1 January 2015 or later, or
- (b) the occurrence of a Trigger Event,

Listing the admission of any class of the issued share capital of the Company to the official list of the Financial Conduct Authority, and to trading on the London Stock Exchange's market for listed securities, or to trading on the Alternative Investment Market of the London

Stock Exchange or any equivalent admission to, or permission to deal or trade on, any other Recognised Stock Exchange approved by the Lead Investor,

LRP Lime Rock Partners V, L P, Ugland House, PO Box 309 GT, South Church Street, George Town, Grand Cayman, Cayman Islands,

LRP Director a person appointed by LRP as a director of the Company pursuant to the Investment Agreement and/or these Articles (including his alternate),

LRP Group LRP, any entity owned or controlled by LRP, any investment trust, investment company, partnership or fund or similar investment vehicle managed or advised by Lime Rock or any of the principals or partners of Lime Rock and in the event that such trust, company, partnership, fund or other vehicle is dissolved and its assets are distributed in specie, the unit holders, shareholders, partners or participants thereof, but shall not include an LRP Portfolio Company,

LRP Portfolio Company a company (or similar body corporate) which either (i) is carrying on a commercial trade or business the principal purpose of which is not investment business or (ii) is the holding company of a group of companies carrying on such a commercial trade or business, in either case, into which a member of the LRP Group has invested equity or loan capital,

Member any registered holder of a Share for the time being,

MJLS MJLS Limited, a company incorporated in Scotland under the Companies Acts (Registered Number SC283118) and having its registered office at Flat 0/2, 2 Queens Gardens, Glasgow G12 9DG,

Mr Longton means Michael John Longton, residing at Ardmachree, Brinckman Terrace, Inverness, IV2 5BL,

New Securities any Shares, or other securities convertible into or carrying the right to subscribe for Shares, issued by the Company after 18 March 2010,

Ordinary Majority the holder(s) of over 50% of the Ordinary Shares for the time being in issue,

Ordinary Shares the ordinary shares of £0.01 each in the capital of the Company (for the avoidance of doubt excluding the A Ordinary Shares),

Pension Scheme an occupational pension scheme (as defined in Section 232(6) of the 2006 Act) for the benefit of employees of any Group Company,

Preference Shares the Preference Shares of US\$4.00 each in the capital of the Company,

Preference Shares B the Preference Shares B of US\$4 00 each in the capital of the Company,

Preference Shares C the Preference Shares C of US\$4 00 each in the capital of the Company,

Preference Shares Preferred Return US\$20 per Preference Share,

Preference Shares B Preferred Return US\$10 per Preference Share B,

Preference Shares C Preferred Return US\$10 per Preference Share C,

Proceeds the gross aggregate consideration (whether in one or several instalments or from one or more transactions) received or receivable by the Company or a subsidiary of the Company or the holders of Shares (in respect of their Shares) on an Exit and shall include without limitation

- (a) the amount of any deferred consideration,
- (b) any consideration given otherwise than in cash (but to avoid doubt, in the case of a Disposal, not attributing any consideration to the assumption of any liabilities of the Company or its subsidiaries by the relevant purchaser),
- (c) any consideration (in cash or otherwise) received by the Company or a subsidiary of the Company or the holders of Shares which having regard to the substance of the transaction can reasonably be regarded as an addition to the price paid (but not attributing any consideration to the assumption of liabilities by a purchaser on a Disposal), and
- (d) any expenses of the Company or any of the holders of Shares incurred in connection with the Exit which are met by any third party,

and shall take account of any adjustments to the consideration by reference to completion accounts where relevant,

Provided that (i) if the consideration is satisfied wholly or partly by an issue of shares in a company which is listed or quoted on a Recognised Investment Exchange, the value attributable to such shares shall be the average of the closing mid prices during the ten days ending on the day immediately prior to the date on which the calculation is made, (ii) if the consideration is satisfied wholly or partly by an issue of shares in a company which is not listed or quoted on a Recognised Investment Exchange, the value attributable to such shares shall be determined by agreement between the Board (with Investor Consent) and a B Ordinary Majority, and (iii) in the event of any dispute as to the consideration received or receivable or to the value attributable to any non cash consideration the matter shall be referred for determination by the Experts,

Qualifying Leaver has the meaning given to it in Article 12.4.2,

Qualifying Tag Sale has the meaning given to it in Article 14.1,

Qualifying Tag Sale Proceeds has the meaning given to it in Article 14.6 (subject to Article 14.7),

Recognised Stock Exchange a recognised investment exchange, recognised overseas investment exchange, designated investment exchange or designated overseas investment exchange, in each case for the purposes of FSMA,

Relevant Employee an employee of the Company or any other Group Company,

Relevant Net Proceeds in relation to an Exit, means

- (a) if the Exit is a return of capital on liquidation, dissolution or winding-up of the Company or any other distribution or return of capital by the Company to its shareholders (other than by way of capitalisation of reserves) the amount available for distribution by the Company after discharge of its liabilities,
- (b) if the Exit is a Sale comprising a sale or transfer of Shares, the Proceeds in respect of the Exit net of expenses of the Company or the holders of Shares incurred in connection with the Exit which are not met by any third party,
- (c) if the Exit is a Disposal or is a Sale comprising the transfer of shares in the capital of a subsidiary of the Company, the Proceeds in respect of the Exit after deduction of amounts required to settle or make good
 - (i) all expenses of the Company or the subsidiary incurred in connection with the Exit which are not met by any third party,
 - (ii) any losses which must be made good before any distribution by way of dividend can be made to the holders of Shares,
 - (iii) any taxation and / or other liabilities for which the Company or the subsidiary is liable by reason of the Exit,

so that the Relevant Net Proceeds are an amount equal to the part of the Proceeds which can be lawfully distributed by the Company by way of dividend or (as the case may be) by way of return of capital on liquidation, dissolution, winding up or otherwise (that is to say the amount available for distribution by the Company after discharge of its liabilities),

Sale a sale or transfer or series of transfers or other dispositions (which shall include, for the avoidance of doubt, a merger, conversion, recapitalisation or other business combination) of any interest in any shares in the capital of the Company or any subsidiary of the Company

which directly or indirectly owns all or substantially all of the business and assets of the Group which results in a person (and any person who in relation to him is a Connected Person, or is a person with whom he is acting in concert) other than the Lead Investor holding more than 50% of the issued equity share capital of the Company or any such subsidiary of the Company (as appropriate),

Share any share in the capital of the Company from time to time,

Statoil Statoil Technology Invest AS (registered number 980516229), Forusbeen 50, 4035 Stavanger, Norway,

Statoil Consent: prior written consent of Statoil,

Statoil Director a person appointed by Statoil as a director of the Company pursuant to the Investment Agreement and/or these Articles (including his alternate),

Statoil Group means a company, partnership or other legal entity which has Control over, is under the Control of, or which is under the Control of an entity which has Control over, Statoil,

Table A Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985,

Tag Adjusted Sellers has the meaning given to it in Article 14.6,

Trigger Event the declaration by LRP of the occurrence of one or more of the following -

- (a) a material breach of any representation, warranty or covenant on the part of the Company under the Investment Agreement or these Articles unless that breach (where capable of remedy) is remedied within 14 days of written notice of such breach being given to the Company by LRP,
- (b) an Insolvency Event, and
- (c) anything analogous to the event in paragraph (b) shall occur under the laws of any applicable jurisdiction,

and provided that LRP shall only declare the occurrence of a Trigger Event where LRP considers that there are special circumstances justifying such declaration and after a period of 30 days consultation with the Board

1.2 The articles of association of the Company (the **Articles**) shall comprise the regulations contained herein together with the regulations contained in Table A, save insofar as they are excluded or modified by, or are inconsistent with, the regulations contained herein

1.3 References in these Articles to regulations are to regulations in Table A

1 4 In these Articles, words denoting the singular shall include the plural and vice versa, words importing a gender include every gender and references to persons shall include any natural person, bodies corporate, unincorporated associations, partnerships, firms and trusts

1 5 Words and expressions defined in or for the purposes of the Act or Table A shall, unless the context otherwise requires, have the same meaning in these Articles

1 6 The headings in these Articles shall not affect their construction or interpretation

1 7 A reference to any statute shall include orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires include any statutory modification or re-enactment of it for the time being in force

2 **SHARE CAPITAL**

2 1 The share capital of the Company at the date of the adoption of these Articles is divided into Ordinary Shares, A Ordinary Shares, B Ordinary Shares, Preference Shares, Preference Shares B and Preference Shares C

2 2 There shall be no restriction on the number of Shares which may be issued by the Company (notwithstanding any provisions contained in the Memorandum of Association of the Company), except as otherwise provided in these Articles

2 3 The liability of the Members is limited to the amount, if any, unpaid on the Shares held by them

3 **RIGHTS ATTACHED TO THE SHARES**

3 1 The rights and restrictions attaching to the A Ordinary Shares, the Ordinary Shares, the B Ordinary Shares, the Preference Shares, the Preference Shares B and the Preference Shares C are as set out in these Articles

4 **DIVIDEND RIGHTS**

4 1 The rights as regards income attaching to each class of Shares shall be as set out in this Article

4 2 The Preference Shares, the Preference Shares B, the Preference Shares C and the Deferred Shares shall carry no right to participate in any dividend

4 3 Subject to (i) the Board recommending payment of the same and (ii) Investor Consent, the Company may determine to distribute Available Profits in respect of any financial year provided that the same shall be distributed to the holders of the Equity Shares in the following proportions

4 3 1 99% to the holders of the A Ordinary Shares and Ordinary Shares (pro rata to the number of A Ordinary Shares and Ordinary Shares held by them as if the same constitutes one class of shares), and

4 3 2 1% to the holders of the B Ordinary Shares, as a class (pro rata to the number of B Ordinary Shares held by them)

5 RETURN OF CAPITAL - ORDER OF PRIORITY

5 1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this Article

5 2 On a return of capital on liquidation, winding-up, capital reorganisation or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority -

5 2 1 first, in paying to the holders of the B Ordinary Shares (as a class), the B Ordinary Shares Preferred Return,

5 2 2 second, in paying to the Tag Adjusted Sellers (if any), the aggregate of the B Ordinary Tag Amounts in the respective amounts that their sale proceeds on any Qualifying Tag Sales were reduced pursuant to Articles 14 6 and 14 7,

5 2 3 third, in paying to each holder of Preference Shares in respect of each Preference Share of which it is the holder, an amount equal to the Preference Shares Preferred Return,

5 2 4 fourth, in paying to each holder of Preference Shares B in respect of each Preference Share B of which it is the holder, an amount equal to the Preference Shares B Preferred Return,

5 2 5 fifth, in paying to each holder of Preference Shares C in respect of each Preference Share C of which it is the holder, an amount equal to the Preference Shares C Preferred Return,

5 2 6 sixth, in paying to the holder(s) of Deferred Shares (if any) in respect of the Deferred Shares the aggregate sum of £1 (such sum to be apportioned between any two or more such holders pro rata so nearly as practicable to their respective holdings of Deferred Shares), and

5 2 7 the balance of such assets (if any) shall be distributed amongst the holders of the A Ordinary Shares and the Ordinary Shares (*pari passu* as if the same constituted one class of Shares)

5 3

- 5 3 1 Where Article 5 3 2 does not apply, the expression **B Ordinary Shares Preferred Return** shall mean the amount which is equal to one per cent (1%) of Relevant Net Proceeds
- 5 3 2 Where there has been one or more Qualifying Tag Sales, **B Ordinary Shares Preferred Return** shall mean the amount which is equal to one per cent (1%) of Relevant Net Proceeds having first deducted from the Relevant Net Proceeds the aggregate amount of Qualifying Tag Sale Proceeds (having regard to Article 14 7) in respect of Qualifying Tag Sales where a B Ordinary Tag Acceptance was validly given
- 5 4 Upon receipt of an amount equal to the Preference Shares Preferred Return on each Preference Share, such Preference Share shall carry no further right to participate in any return of capital and (subject to the provisions of the 2006 Act) shall be redeemed for nil consideration by the Company and cancelled
- 5 5 Upon receipt of an amount equal to the Preference Shares B Preferred Return on each Preference Share B, such Preference Share B shall carry no further right to participate in any return of capital and (subject to the provisions of the 2006 Act) shall be redeemed for nil consideration by the Company and cancelled
- 5 6 Upon receipt of an amount equal to the Preference Shares C Preferred Return on each Preference Share C, such Preference Share C shall carry no further right to participate in any return of capital and (subject to the provisions of the 2006 Act) shall be redeemed for nil consideration by the Company and cancelled
- 6 **EXIT PROVISIONS**
- 6 1 The Relevant Net Proceeds of a Sale shall be distributed in the order of priority set out in Article 5 The Directors shall not register any transfer of Shares if the Relevant Net Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Sale), provided that, if the Relevant Net Proceeds are not settled in their entirety on completion of the Sale
- 6 1 1 the Directors may register the transfer of the relevant Shares, provided that the Relevant Net Proceeds have been distributed in the order of priority set out in Article 5, and
- 6 1 2 the Members shall take any action required by the Lead Investor to ensure that the Relevant Net Proceeds are distributed in the order of priority set out in Article 5
- 6 2 In the event that
- 6 2 1 any holder of Shares does not participate in a Sale, then the Shares held by that holder shall, for the purposes of Articles 5 and 6, be treated as if they were not in

issue and such holder shall not be entitled to any distribution pursuant to these Articles in respect of such Sale,

6 2 2 on a Sale, any holder of Shares sells some but not all of the Shares held by it, then the Shares not sold shall for the purposes of Articles 5 and 6, be treated as if they were not in issue and distributions varied accordingly

6 3 On a Disposal, the Relevant Net Proceeds shall be distributed (to the extent that the Company is lawfully able to do so) in the order of priority set out in Article 5. If it is not lawful for the Company to distribute the Relevant Net Proceeds in accordance with the provisions of these Articles, the Members shall take any action required by Investor Direction (including (but not limited to) any actions that may be necessary to put the Company into voluntary liquidation so that Article 5 applies)

6 4 For the avoidance of doubt, the right of any holder of Shares to receive Relevant Net Proceeds shall be a right to receive such in the form or forms of consideration in which the Proceeds are paid, and where this is not cash, no holder of Shares will be entitled to demand payment in cash and any cash and non-cash consideration shall be distributed amongst all holders of Shares in the proportions in which they are entitled to participate in the Relevant Net Proceeds (save for any Member who agrees to receive a higher proportion in non-cash form)

7 VOTING RIGHTS

7 1 Subject to any other provision of these Articles concerning voting rights, the voting rights attached to each class of Shares shall be as set out in this Article 7 -

7 1 1 on a show of hands, every Member holding one or more Ordinary Shares or A Ordinary Shares, who (being an individual) is present in person or by proxy or (being a corporation or a partnership or other unincorporated body) is present by a duly authorised representative or by proxy, shall have one vote,

7 1 2 on a poll, every Member holding one or more Ordinary Shares or A Ordinary Shares, who (being an individual) is present in person or by proxy or (being a corporation or a partnership or other unincorporated body) is present by a duly authorised representative or by proxy, shall have one vote for each Ordinary Share and one vote for each A Ordinary Share of which he is the holder, and

7 1 3 on a show of hands or on a poll, the holders of the B Ordinary Shares as a class, shall have one vote amongst them

7 2 Subject to Article 7 4, the Preference Shares, the Preference Shares B, the Preference Shares C and the Deferred Shares will entitle the holder thereof to receive notice of all general meetings but will not entitle the holders to attend or vote at any general meeting

7 3 The provisions of Article 7 4 shall apply if at any time (without Investor Consent) there has been proposed a resolution for the winding-up of the Company, a resolution for a reduction in

the capital of the Company or a resolution varying any of the rights attaching to the Preference Shares and/or the Preference Shares B and/or the Preference Shares C and/or the A Ordinary Shares

- 7 4 If the provisions of this Article 7 4 apply then the Preference Shares, the Preference Shares B and the Preference Shares C shall entitle each holder thereof, on a show of hands, to one vote, and on a poll, to one vote for each Preference Share, Preference Shares B and Preference Shares C of which it is a holder (and the provisions of Article 7 1 shall apply, mutatis mutandis)

8 VARIATION OF CLASS RIGHTS

- 8 1 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, only with the consent in writing of the holders of three quarters of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class

- 8 2 Without prejudice to the generality of Article 8 1, the special rights attached to the Preference Shares and/or the Preference Shares B and/or the Preference Shares C and/or the A Ordinary Shares shall be deemed to be varied at any time by any of the following -

8 2 1 the alteration of the memorandum of association of the Company or these Articles or the passing of any special or extraordinary resolution of the Members,

8 2 2 an increase, reduction or other alteration in the issued share capital of the Company or any other Group Company or a variation in the rights attaching to any class thereof,

8 2 3 the issue of any securities or instruments convertible into shares in any such company,

8 2 4 the application by way of capitalisation of any sum in or towards paying up any share or loan capital of the Company,

8 2 5 the entering into by the Company of a contract to purchase any of its shares, and

8 2 6 the Company redeeming any of its shares

- 8 3 Without prejudice to the generality of Article 8 1, the special rights attached to the B Ordinary Shares shall be deemed to be varied at any time by any of the following -

8 3 1 the issue of any shares, or any securities or instruments convertible into shares, in the share capital of the Company ranking in priority to the B Ordinary Shares as regards rights to capital or income, or

8 3 2 the issue of any further B Ordinary Shares, or

8 3 3 any reduction in the Company's share capital (including pursuant to Chapter 10 of the 2006 Act, any purchase by the Company of its shares, or the Company redeeming any of its shares) other than the Company buying-back Shares from, or redeeming Shares held by, a Leaver

9 PRE-EMPTION RIGHTS ON NEW ISSUES

9 1 Unless otherwise agreed by special resolution or by written resolution passed in accordance with the 2006 Act or Regulation 53 of Table A, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to the holders of the A Ordinary Shares and the Ordinary Shares on the same terms and at the same price as those New Securities are being offered to other persons on a *pari passu* and *pro rata* basis to the number of Shares held by (subject to Article 9 5) those Members (as nearly as may be without involving fractions) The offer shall be in writing and -

9 1 1 give details of -

(a) the number and subscription price of the New Securities to be offered to each Member, and

(b) specify a time (being not less than 15 Business Days) within which the offer if not accepted will be deemed to be declined, and

9 1 2 may stipulate that any Member who wishes to subscribe for a number of New Securities in excess of the proportion to which he is entitled shall in his acceptance state the number of excess New Securities (**Excess Securities**) for which he wishes to subscribe

9 2 Any New Securities not accepted by Members pursuant to the offer made to them in accordance with Article 9 1 shall be used for satisfying any requests for Excess Securities made pursuant to Article 9 1 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a *pro rata* basis to the number of Shares held by the applicants immediately prior to the offer made to Members in accordance with Article 9 1 (as nearly as may be without involving fractions or increasing the number allotted to any Member beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered, to any other person as the Board (with Lead Investor Consent and Statoil Consent) may determine at the same price and on the same terms as the offer to the Members set out in Article 9 1

9 3 The provisions of Article 9 1 shall not apply to -

9 3 1 options to subscribe for New Securities under any employee share option plan operated by the Company,

- 9 3 2 any issue of New Securities in consideration (in whole or in part) for any arm's length acquisition of shares, assets, businesses or undertakings by any Group Company
- 9 4 Notwithstanding the provisions of Articles 9 1 and 9 2, if the Board reasonably considers that complying with the requirements set out in Articles 9 1 and 9 2 would be detrimental to the financial position of the Company, upon an Investor Direction the Company shall issue all the New Securities at the price set out in Article 9 1 1 to the Investors (or their nominees) in their Investor Proportions, and the rights of pre-emption of the remaining Members (the **Non-Investor Shareholders**) shall be deemed to be waived. In such circumstances, as soon as reasonably practicable following the issue of New Securities to the Investors (or their nominees), and in any event, no later than 15 Business Days after subscription of the New Securities by the Investors (or their nominees), the Investors shall in their Investor Proportions offer such proportion of such New Securities to the Non-Investor Shareholders as they would have been entitled to had Articles 9 1 and 9 2 applied (the **Non-Investors' Pre-Emption Shares**). Any such offer shall remain open for 6 months after subscription of the New Securities by the Investors and be on terms substantially the same as the terms that would have applied under Articles 9 1 and 9 2 had the transfer of the Non-Investors' Pre-emption Shares taken place and each Investor (or its nominees) shall transfer the relevant number of New Securities to the Non-Investor Shareholders who accept such offer (provided that such offer shall automatically lapse should an Exit occur prior to the date of acceptance of the offer). Any stamp duty charges involved in the transfer of the New Securities from the relevant Investor (or its nominees) to the Non-Investor Shareholders shall be borne equally by the parties.
- 9 5 For the purposes of Article 9 1, when determining the number of New Securities to be offered to all holders of Shares (which shall be issued on a *pro rata* basis to the number of Shares held by those holders of Shares), there shall be disregarded any Shares held by an Employee Trust.
- 10 **PROHIBITED TRANSFERS**
- 10 1 Except in accordance with Article 11 (Permitted Transfers), or Article 12 (Leavers), or by virtue of the application of Article 13 (Drag Along Rights) or Article 14 (Tag Along Rights), any person who holds, or becomes entitled to, any Share shall not, without Lead Investor Consent and Statoil Consent (which shall not be given in relation to any transfer by an Investor), effect a transfer of such Share.
- 10 2 The reference in Article 10 1 to the transfer of a 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 -
- 10 2 1 any direction (by way of renunciation or otherwise) by a Member entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself,

10 2 2 any sale or other disposition of any legal or equitable interest in a Share (including any voting rights 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

10 2 3 any grant of a legal charge or other form of encumbrance over any Share

10 3 For the purpose of ensuring compliance with Article 10 1, the Company shall immediately on a direction from any Investor (and may with Lead Investor Consent or Statoil Consent) require any Leaver or other Member to procure that (i) he or (ii) such other person as is reasonably believed to have information and/or evidence relevant to such purpose, provides to the Company any information and/or evidence relevant to such purpose and failing provision of such information and/or evidence the Board shall forthwith upon receipt of a direction from any Investor (or otherwise with Lead Investor Consent or Statoil Consent) notify the relevant Leaver or Member (the **Defaulting Shareholder**) that a breach of the transfer provisions of these Articles is deemed to have occurred, whereupon -

10 3 1 the Company shall refuse to register any transfer of the Relevant Shares (otherwise than with Lead Investor Consent and Statoil Consent),

10 3 2 the Relevant Shares shall cease for so long as such default shall subsist to confer on the holder thereof (or any proxy thereof) any rights -

(a) to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question), or

(b) to receive dividends or other distributions (other than the Issue Price of the Relevant Shares upon a return of capital),

or otherwise attaching to the Relevant Shares or to any further Shares issued pursuant to the exercise of a right attaching to the Relevant Shares or in pursuance of an offer made to the holder thereof

The rights referred to in Article 10 3 2 may be reinstated by the Board (with Lead Investor Consent and Statoil Consent) The expression **Relevant Shares** shall mean the Shares which the Defaulting Shareholder holds or to which he is entitled and any Shares formerly held by him which have been transferred in breach of Article 10 1 or in accordance with Article 11 (Permitted Transfers)

11 **PERMITTED TRANSFERS**

11 1 Notwithstanding the provisions of Article 10 (Prohibited Transfers) -

- 11.1.1 any Relevant Employee may (for *bona fide* tax planning purposes) transfer any Share held by him to a Family Member over the age of 18 or to the trustees of his Family Trust provided that
- (a) the right to attend and vote on such Shares shall be retained by the Relevant Employee, notwithstanding such transfer, and
 - (b) not more than 50% of Shares in aggregate held by a Relevant Employee and his Family Members and Family Trust shall be held by trustees of his Family Trust,
- 11.1.2 any Member who is a trustee of a Family Trust may transfer any Share which he holds in that capacity to
- (a) the new or remaining trustees of the Family Trust upon any change of trustees, and
 - (b) any Relevant Employee or any of his Family Members over the age of 18 upon then becoming entitled to the same under the terms of the Family Trust,
- 11.1.3 an Investor may at any time transfer any Share to -
- (a) another member of its Investor Group,
 - (b) the beneficial owner of the Shares, including, without limitation, to any person who becomes a general partner, nominee or trustee for a limited partnership, unit trust or investment trust in place of, or in addition to, such transferor,
 - (c) the partners of a limited partnership (or their nominees) or to the holders of units in a unit trust (or their nominees) on a distribution in kind or otherwise under the relevant partnership agreement or trust deed, and
 - (d) any co-investment scheme, being a scheme under which certain officers, employees or partners of an Investor or its adviser or manager are entitled or required (as individuals or through a body corporate or any other vehicle) to acquire Shares which the Investor would otherwise acquire or has acquired (**Co-Investment Scheme**),
- 11.1.4 an Investor may at any time after a Liquidity Trigger transfer any Share to any person,
- 11.1.5 any Member holding Shares in connection with a Co-Investment Scheme may at any time transfer any Share to -

- (a) another person who holds or is to hold Shares in connection with such Co-Investment Scheme, or
 - (b) any persons on their becoming entitled to the same under the terms of such Co-Investment Scheme,
- 11 1 6 any Member holding Shares as a result of a transfer made after 18 March 2010 by a person in relation to whom such Member was a permitted transferee under the provisions of this Article may at any time transfer any Share to the person who originally transferred such Shares (or to any other permitted transferee of such original transferor),
- 11 1 7 any Member may transfer any Share pursuant to a request by Investor Direction pursuant to clause 15 4 of the Investment Agreement
- 11 2 If any person has acquired Shares as a Family Member of a Member by way of one or more permitted transfers and that person ceases to be a Family Member of that Member, that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within twenty-eight days of the cessation or, in default of such agreement, at the Fair Price (calculated in accordance with Article 12 5)
- 11 3 Subject to Article 11 4, the Company shall be obliged to register any transfer made pursuant to the above provisions
- 11 4 For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of this Article 11, the Board 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 Board may reasonably think necessary or relevant Failing such information or evidence being furnished to the satisfaction of the Board within a period of twenty-eight days after such request the Board shall be entitled to refuse to register the transfer in question

12 LEAVERS

- 12 1 The provisions of this Article shall apply to any Leaver and to any Leaver's Shares
- 12 2 Within the period commencing on the relevant Leaving Date and expiring at midnight on the date falling six months after the Leaving Date, the Company may (but is not obliged to), and shall immediately following a direction from the Lead Investor, serve a notice on the Leaver (a **Sale Notice**) The Sale Notice shall notify him that he is, with immediate effect, deemed to have offered all of his Leaver's Shares to such person(s) (including the Company and/or any Employee Trust but excluding the Leaver and any person connected with, or a Family Member of, that Leaver) as may be specified in the Sale Notice On receipt of such Sale Notice, the Leaver shall be obliged to transfer, at the Sale Price as determined in accordance with Article 12 4, all of his Leaver's Shares to the person(s) specified in the Sale Notice Completion of the sale and purchase of the Leaver's Shares in accordance with the Sale

Notice shall take place within five Business Days of the date on which the Sale Price is determined as aforesaid whereupon the Leaver shall transfer the relevant Leaver's Shares to the person(s) specified in the Sale Notice and deliver the relevant Share Certificates against payment of the Sale price for such Shares

12 3 On the acquisition of Leaver's Shares -

12 3 1 other than by the Company, if the Leaver defaults in transferring any Leaver's Shares pursuant to Article 12 2, the Company may receive the relevant purchase money and may nominate some person to execute an instrument of transfer of such Leaver's Shares in the name and on behalf of the Leaver. Thereafter, when such instrument has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the register of members as the holder of such Leaver's Shares and shall hold the purchase money on trust (without interest) for the Leaver. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been so entered in the register of members, the validity of the proceedings shall not be questioned by any person, or

12 3 2 by the Company, if the Leaver defaults in transferring any Leaver's Shares pursuant to Article 12 2, the Company may nominate some person to execute an instrument of transfer of such Leaver's Shares in the name and on behalf of the Leaver and thereafter, when such instrument has been duly stamped, the Company shall cause such share capital to be cancelled in accordance with the Act and shall hold the purchase money on trust (without interest) for the Leaver

12 4 In these Articles -

12 4 1 a Member shall be deemed to be a **Good Leaver** in circumstances where the relevant person -

- (a) ceases to be employed by any Group Company as a result of the relevant Group Company ceasing to be a subsidiary of the Company,
- (b) dies,
- (c) suffers a physical or mental deterioration which is sufficiently serious to prevent the relevant person from following his normal employment or which seriously prejudices his earning capacity,
- (d) retires at normal retirement age,
- (e) ceases to be employed by the Company by reason of his dismissal and a court or industrial tribunal (after right of appeal has been exhausted or lapses) holds that he was unfairly dismissed save (i) on grounds of procedural

deficiency or irregularity or (ii) where the court or tribunal finds that he was 50% or more at fault in such dismissal,

- (f) he is so designated by LRP where, in the sole discretion of LRP, it considers that person to have had compelling family reasons to cease to be employed by the Company, or
- (g) in the case of MJLS, where any of the conditions set out in Article 12 4 1 (a) to (f) (inclusive) apply to Mr Longton had he been a Member in place of MJLS

12 4 2 a Founder is a **Qualifying Leaver** where his Leaving Date is more than twelve months after 31 December 2014,

12 4 3 a Member shall be deemed to be a **Bad Leaver** in circumstances where the relevant person -

- (a) is not a Qualifying Leaver, or
- (b) is not deemed to be a Good Leaver, and
- (c) is so designated by an Investor Direction, or
- (d) in the case of MJLS, where the circumstances set out in Article 12 4 3 (a) to (c) (inclusive) apply to Mr Longton had he been a Member in place of MJLS

12 4 4 the **Sale Price** shall be -

- (a) in the case of a Qualifying Leaver or a Good Leaver, the Fair Price, and
- (b) in the case of a Bad Leaver, the lower of the Issue Price and the Fair Price,

12 4 5 the **Fair Price** shall be such price as the transferor and (with Lead Investor Consent) the Company shall agree within 30 Business Days of the date of service of the Sale Notice or, failing such agreement, such price as the Experts shall determine pursuant to Article 12 5

12 5 If the Fair Price falls to be determined by the Experts -

12 5 1 the Company shall immediately instruct the Experts to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Leaver's Shares at the Leaving Date as between a willing seller and a willing buyer and, in making such determination, the Experts shall assume that the Leaver's Shares are freely transferable and shall disregard whether the Leaver's Shares comprise a majority or minority interest in the Company and accordingly shall determine the value of the Leaver's Shares by reference to the valuation of all Shares if an Exit had occurred on

the Leaving Date and then applying the provisions of Articles 5 and 6 to such valuation so as to take account of the preference or other rights of Shares on Exit),

- 12 5 2 the Experts shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the Experts shall be deemed to be acting as experts and not as arbiters and the Arbitration Act 1996 shall not apply,
- 12 5 3 the certificate of the Experts shall, in the absence of manifest error, be final and binding, and
- 12 5 4 the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless (i) such an arrangement would not be permitted by the 2006 Act in which event the cost shall be borne equally by the Leaver and the purchaser(s) of the Leaver's Shares or (ii) subject to (iii) below, the Fair Price as determined by the Experts is not more than 110% of that price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price, in which event the cost shall be borne by the Leaver or (iii) in the case of the B Ordinary Shares only, the Fair Price as determined by the Experts is less than the price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price, in which event the cost shall be borne by the Leaver

13 DRAG ALONG RIGHTS

13 1 In these Articles -

13 1 1 a **Qualifying Offer** shall mean an offer in writing by or on behalf of any bona fide purchaser on arm's length terms (**Offeror**) to -

- (a) all the holders of the Equity Shares to acquire all their Equity Shares for cash or marketable securities, and
- (b) all the holders of the Preference Shares, the Preference Shares B and the Preference Shares C to acquire all of such Shares for cash or marketable securities,

(all such Shares, for the purposes of this Article 13, being the **Relevant Shares**),

13 1 2 a **Qualifying Condition** has occurred if either

- (a) a Drag Along Trigger has occurred, or
- (b) the holders of more than 60% in nominal value of the Relevant Shares, including an Investor Majority, intend to accept the Qualifying Offer, and have confirmed such intention to the Lead Investor in writing

- 13 2 If an Investor Majority wishes to accept the Qualifying Offer and any Qualifying Condition has occurred, the provisions of this Article shall apply
- 13 3 The Lead Investor shall give written notice to the remaining holders of the Relevant Shares (**Other Shareholders**) of the wish of an Investor Majority to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Relevant Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Lead Investor
- 13 4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the Relevant Shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any LRP Director shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the Relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person
- 13 5 Upon any person, following the issue of a notice pursuant to Article 13 3, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (**New Member**), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror 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 notice being deemed served on the New Member
- 13 6 For the avoidance of doubt the provisions of Article 6 (Exit Provisions) shall apply to the proceeds of sale of Shares pursuant to the Qualifying Offer

14 TAG ALONG RIGHTS

- 14 1 If at any time any Member (**Proposed Seller**) proposes to sell, in one or a series of related transactions, (a) Preference Shares, Preference Shares B and Preference Shares C or (b) Equity Shares to any person (being a bona fide purchaser on arm's length terms but not being an Offeror for the purposes of Article 13 1) other than pursuant to Article 11 (Permitted Transfers), but excluding in the case of the B Ordinary Shares only, transfers under Articles 11 1 4 or 11 1 7 to which this Article 14 will apply, or Article 12 (Leavers), being a sale which would, if registered, result in that person (together with persons connected with or acting in concert with the Proposed Seller) holding or increasing its holding to more than 50% of (a) the Preference Shares, the Preference Shares B and the Preference Shares C or (b) the Equity Shares (as the case may be) in issue (each a **Qualifying Tag Sale**) then, without prejudice to the application of any other provision of these Articles as regards the transfer of

Shares (and any restrictions on any such transfer) which shall continue to apply, the Proposed Seller may only sell the Shares if it complies with the provisions of this Article

- 14 2 The Proposed Seller shall give written notice (**Proposed Sale Notice**) to the other holders of (a) Preference Shares, Preference Shares B and Preference Shares C or (b) Equity Shares (other than the holders of the B Ordinary Shares) (as the case may be) of such intended sale at least fifteen Business Days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**), the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**) and the proportion which the Proposed Sale Shares represent of the Proposed Seller's entire holding of (a) Preference Shares, Preference Shares B and Preference Shares C or (b) Equity Shares (but excluding the B Ordinary Shares) (as the case may be) (**Relevant Proportion**)
- 14 3 Any other holder of Preference Shares, Preference Shares B or Preference Shares C or Equity Shares (other than the holders of the B Ordinary Shares to which Article 14 4 shall apply) (as the case may be) shall be entitled, by written notice given to the Proposed Seller within ten Business Days of receipt of the Proposed Sale Notice, to be permitted to sell the Relevant Proportion of his Preference Shares or Preference Shares B or Preference Shares C or Equity Shares (as the case may be) to the Proposed Buyer for cash or marketable securities on the same terms and conditions as those set out in the Proposed Sale Notice
- 14 4 Where a Proposed Sale Notice is given, the Proposed Seller shall at the same time give written notice to all the holders of the B Ordinary Shares (**B Ordinary Tag Notice**) setting out the same information as is contained in the Proposed Sale notice with the exception of the Relevant Proportion. The holders of the B Ordinary Shares shall within ten Business Days of receipt of the B Ordinary Tag Notice be entitled by written notice given to the Proposed Seller (**B Ordinary Tag Acceptance**) to participate in the Qualifying Tag Sale in accordance with the following provisions of this Article 14. The B Ordinary Tag Acceptance shall be given by a B Ordinary Majority on behalf of all holders of B Ordinary Shares and, when given, such notice will be binding on all holders of B Ordinary Shares
- 14 5 If a B Ordinary Tag Acceptance has been served in accordance with Article 14 4, the holders of the B Ordinary Shares (as a class) shall be permitted to sell such number of B Ordinary Shares as shall be agreed between the Board (with Investor Consent) and a B Ordinary Majority, and in default of agreement, the number shall be one B Ordinary Share per holder
- 14 6 Subject to Article 14 7, if a Qualifying Tag Sale proceeds to completion, then consistent with the provisions of Articles 5 and 6 (and provided that the holders of the B Ordinary Shares have served a B Ordinary Tag Acceptance) one per cent (1%) of the net proceeds of the sale of all the Shares included in the first Qualifying Tag Sale to occur (including those sold by the Proposed Seller) (**Qualifying Tag Sale Proceeds**) will be payable to the holders of the B Ordinary Shares as a class (to be allocated amongst the holders *pro rata* to the number of B Ordinary Shares held by them at the date of service of the B Ordinary Tag Acceptance) and as a consequence the amount payable to each other Member selling Shares in the Qualifying Tag

Sale (the **Tag Adjusted Sellers**) shall be reduced by one per cent (1%) (The aggregate amount paid to the holders of the B Ordinary Shares (being the same aggregate amount as is deducted from the sale proceeds payable to the Tag Adjusted Sellers) upon completion of any Qualifying Tag Sale is referred to in these Articles as a **B Ordinary Tag Amount**) If no such B Ordinary Tag Acceptance is given, all the net proceeds shall be paid to the Members selling Shares in the Qualifying Tag Sale

- 14 7 On any second or subsequent Qualifying Tag Sale, the holders of the B Ordinary Shares shall only be entitled to participate in that Qualifying Tag Sale to the extent that Shares are being sold in respect of which a B Ordinary Majority did not serve a B Ordinary Tag Acceptance and the holders of the B Ordinary Shares did not participate in Qualifying Tag Sale Proceeds in any previous Qualifying Tag Sale (**Non-Tagged Shares**) Accordingly, when giving the B Ordinary Tag Notice in respect of any second or subsequent Qualifying Tag Sale, the Proposed Seller shall identify in the B Ordinary Tag Notice those Shares being sold in the Qualifying Tag Sale which are Non-Tagged Shares and in respect of which a B Ordinary Tag Acceptance Notice may be validly given On any second or subsequent Qualifying Tag Sale, the other provisions of Article 14 6 will be read and applied subject to this Article 14 7 In particular, for the purposes of Article 14 6, the holders of the B Ordinary Shares shall be entitled to receive one per cent (1%) of the net proceeds of sale of the Non-Tagged Shares only and not one per cent (1%) of the Qualifying Tag Sale Proceeds and similarly, when calculating the aggregate Qualifying Tag Sale Proceeds for the purposes of Article 5 3 2, in respect of any second or other subsequent Qualifying Tag Sale the amount to be deducted from Relevant Net Proceeds will be the net proceeds of sale of the Non-Tagged Shares and not the net proceeds of all the Shares sold in the Qualifying Tag Sale
- 14 8 Any B Ordinary Shares transferred pursuant to a Qualifying Tag Sale shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as Deferred Shares (on the basis of one Deferred Share for every one B Ordinary Share) having the rights, privileges and restrictions attaching to the Deferred Shares as set out in these Articles
- 14 9 An Investor Majority may at any time by Investor Direction require that any Deferred Shares then in issue be transferred by the holder thereof to a person nominated by an Investor Majority or (subject to the 2006 Act) purchased by the Company, in either case for an aggregate sum of £1 00
- 14 10 If there is more than one Qualifying Tag Sale, Articles 14 4 to 14 8 (both inclusive) shall apply to each Qualifying Tag Sale
- 14 11 If any other holder of Preference Shares, Preference Shares B or Preference Shares C or Equity Shares (as the case may be) is not given the rights accorded him by the provisions of this Article, the Proposed Seller shall be required not to complete its sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

- 14 12 For the avoidance of doubt, where the application of the foregoing provisions results in the occurrence of a Sale the provisions of Article 6 (Exit Provisions) shall apply to the proceeds of the sale of Shares pursuant to the foregoing provisions of this Article 14

15 GENERAL MEETINGS

- 15 1 Regulation 37 of Table A shall be amended by the insertion of the words “or an LRP Director acting alone” after the second word of that regulation

16 INVESTORS' LIQUIDITY RIGHT

- 16 1 The Investors acting by Investor Majority shall be entitled at any time following a Liquidity Trigger to make a Liquidity Request. If following a Liquidity Request the Company fails to consummate a Liquidity Event within 12 months of the Liquidity Request being made, the provisions of Article 16 2 shall apply

- 16 2 If the provisions of this Article 16 2 apply, then at any time after the expiry of the said period of 12 months, the Investors may by Investor Direction serve a notice on the Company that the following provisions apply. During the subsistence of the notice each LRP Director (or the LRP Directors acting together, as the case may be) shall have such number of additional votes at each meeting of the Board as shall give him or them (as the case may be) a majority of the votes capable of being cast at such meeting. In the event that more than one LRP Director attends the votes shall be allocated to the LRP Directors and divided between them on a pro rata basis

17 PROCEEDINGS AT GENERAL MEETINGS

- 17 1 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business and, subject to Article 17 2, for its duration. 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 corporation (and at least one of which shall be a holder of, or proxy for, or a duly authorised representative of, the Lead Investor and at least one of which shall be a holder of, or proxy for, or a duly authorised representative of, Statoil), shall be a quorum
- 17 2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the Members present may decide and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Member or Members present shall constitute a quorum
- 17 3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the chairman, or

by any Member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Member entitled to vote

17 4 The requirements for delivery of proxy appointments are as follows -

17 4 1 the instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notari ally or in some other way approved by the Board must be delivered to the registered office of the Company -

- (a) in the case of a general meeting or adjourned meeting, not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting, and
- (b) subject to Article 17 5, in the case of a proxy notice given in relation to a poll, before the end of the meeting at which the poll was demanded

In calculating when a proxy notice is to be delivered, no account is to be taken of any part of a day that is not a Business Day A notice revoking the appointment of a proxy must be given in accordance with the 2006 Act

17 5 When a poll has been demanded it shall be taken immediately following the demand

17 6 No person shall be appointed chairman without Lead Investor Consent

17 7 The chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise any second or casting vote

17 8 With respect to any such resolution in writing as is referred to in Regulation 53, in the case of a corporation which holds a Share, the signature of any director or the secretary thereof shall be sufficient for the purposes of Regulation 53 and Regulation 53 shall be modified accordingly

17 9 The provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of Share, except that the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present then the provisions of Article 17 2 shall apply)

18 INVESTOR DIRECTORS

18 1 So long as any member of the LRP Group (or its nominee) is the registered holder or beneficial owner of at least 20% of the Equity Shares LRP may appoint up to two directors to the Board and may remove any such director and appoint a replacement in his place provided that the LRP Group shall be entitled to appoint and remove and replace only one director if it

holds more than 10% but less than 20% of the Equity Shares and such entitlement shall cease if the LRP Group shall hold less than 10% of the Equity Shares Prior to any such appointment LRP shall consult with the Board and take account of such consultation

18 2 Any appointment or removal of an LRP Director shall be in writing served on the Company signed by or on behalf of LRP and shall take effect at the time it is served on the Company or (if later) the date expressly stated therein

18 3 Notice of meetings of the Board shall be served on an LRP Director who is absent from the United Kingdom at the address for service of notices on LRP under the Investment Agreement The third sentence of regulation 88 shall not apply

18 4 Upon written request by LRP the Company shall procure that any LRP Director is forthwith appointed as a director of any other Group Company indicated in such request

18 5 Regulation 81(e) of Table A shall not apply to an LRP Director

18 6 Each of LRP, Statoil and CTV shall have the right to appoint a person to attend, speak and place items on the agenda but not vote at all meetings of the Board as an observer Each of LRP, Statoil and CTV may remove the observer so appointed and appoint another person in his place

19 **NUMBER OF DIRECTORS**

19 1 The number of directors (including the LRP Director(s) and any Statoil Director but excluding alternate directors) shall not be less than two in number or more than six in number PROVIDED THAT said maximum shall not prejudice LRP's rights under Article 18 (Investor Directors) or Statoil's rights under Article 29 (Statoil Director)

20 **ALTERNATE DIRECTORS**

20 1 A director (other than an alternate director) may appoint any other director or any other person whomsoever to be approved by the Board, to be an alternate director and may remove from office an alternate director so appointed

20 2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

20 3 Any director who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the director so appointing him in addition to being entitled to vote in his own capacity as a director and shall also be considered as two directors for the purpose of making a quorum of directors unless he is the only individual present

21 PROCEEDINGS OF DIRECTORS

21 1 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meeting as they think fit Any three Directors (of whom at least one shall be an LRP Director, unless such requirement is waived by the Lead Investor and of whom at least one shall be a Statoil Director, unless such requirement is waived by Statoil) shall constitute a quorum and a quorum of directors must be present throughout all meetings of the Board Provided that if within half an hour from the time appointed for the meeting a quorum is not present by reason of the Statoil Director not being present nor having agreed to the transaction of business at such meeting in his absence, it 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 the chairman of the Board may determine and immediately communicate in writing to all other directors Provided that if a meeting has been adjourned and at the following meeting a quorum is not present by reason of the Statoil Director not being present nor having agreed to the transaction at such following meeting in his absence, within half an hour from the time appointed for the adjourned meeting, such of the directors as are present shall constitute a quorum

21 2 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (**Interested Director**) breaching his duty under section 175 of the 2006 Act to avoid conflicts of interest (**Conflict**) as follows -

21 2 1 Any authorisation under this Article will be effective only if

- (a) to the extent permitted by the 2006 Act the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted

21 2 2 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised,

- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

21 2 3 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict. The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation in accordance with the terms of such authorisation. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

21 3 Any director or alternate director may validly participate in a meeting of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of directors is not physically present in the same place. 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

21 4 Save with the consent of an LRP Director -

21 4 1 the Board shall not delegate any of its powers to a committee other than as specified in the Investment Agreement, and

21 4 2 meetings of the Board shall not be held outside the United Kingdom

21 5 The chairman of the Board shall not have a second or casting vote at a meeting of the Board

22 APPOINTMENT AND REMOVAL OF DIRECTORS

22 1 Any person who is willing to act as a director and is permitted by law to do so may be appointed as a director of the Company either -

22.1 1 by ordinary resolution of the Members, or

22 1 2 subject to Investor Consent, by a resolution of the Board

23 RETIREMENT OF DIRECTORS

23 1 The Directors shall not be liable to retire by rotation and the words “by rotation or otherwise” and “and deemed to have been reappointed” in Regulation 67, and the last sentence of Regulation 84 shall not apply to the Company. In addition, the words “and may also determine the rotation in which any additional directors are to retire” in Regulation 78 and the last two sentences of Regulation 79 shall not apply to the Company

23 2 The office of a director (other than an LRP Director or a Statoil Director) shall be vacated if both -

23 2 1 (being an executive director of the Company or any subsidiary) he ceases to hold office as an employee of the Company or any subsidiary without being appointed or continuing to be an employee of another Group Company, and

23 2 2 a majority of the Board (including an LRP Director) or an Investor Majority so requires

Regulation 81 of Table A shall be extended accordingly

24 NOTICES

24 1 Notwithstanding anything to the contrary in these Articles, any notice or document to be given, sent, issued, deposited, served or delivered (or the equivalent) to or by any person pursuant to these Articles shall be in writing and, if the Board in its absolute discretion

considers appropriate for any purpose or purposes under these Articles, any such notice or document shall be deemed given, sent, issued, deposited, served or delivered (or the equivalent) where it is sent using electronic communications to an address for the time being notified for that purpose to the person giving the notice, but subject always to the provisions of Article 24 9 In the case of notices or other documents sent by means of electronic communication the Board may make this subject to such terms and conditions as it shall in its absolute discretion consider appropriate Nothing in these Articles shall affect any requirement of the Act that any particular offer, notice or other document be served in any particular manner

- 24 2 For the purposes of Article 24 1, notices or documents shall be treated as being sent using electronic communications by the Company to a person where (i) the Company and that person have agreed to his having access to the notice or document on a web site (instead of such notice or document being sent to him) (ii) the notice or document (as the case may be) is a notice or document to which that agreement applies and (iii) a notice is sent to the person, in a manner for the time being agreed for that purpose between him and the Company, of (a) the publication of that notice or document on the web site (b) the address of the web site and (c) the place on that web site where the notice or document may be accessed, and how it may be accessed, and in any such case the notification referred to above shall be treated as the relevant notice for the purposes of these Articles
- 24 3 The Company may give any notice or document (including a share certificate) to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or, in the circumstances referred to in Article 24 1 by sending it using electronic communications to an address for the time being notified to the Company by the member
- 24 4 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding Notice so give shall be sufficient notice to all the joint holders
- 24 5 Where a member (or, in the case of joint holders, the person first named in the register of members of the Company) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices or other documents may be given to him or, if the Board in its absolute discretion permits, an address to which notices or documents may be sent using electronic communications, he shall be entitled to have notices or documents given or sent to him at that address but otherwise no such member shall be entitled to receive any notice or document from the Company If on at least two consecutive occasions the Company has attempted to send notices or documents using electronic communications to an address for the time being notified to the Company by a member for that purpose but the Company is aware that there has been a failure of delivery of such notice or document in the manner described in Article 24 9, then the Company shall thereafter send notices or documents through the post to such member at his registered address or his address for the service of notices by post, in which case the provisions of the remainder of this Article shall apply If on three consecutive occasions notices or documents have been sent through the post to any member at his registered address or his address for the

service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices or, if the Board in its absolute discretion permits, an address to which notices may be sent using electronic communications

- 24 6 The Company may give notice to the person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any like description, at the address (if any) within the United Kingdom or to which notices may be sent using electronic communications supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred
- 24 7 Any member present, in person or by proxy, at any meeting of the Company or of the holders of any class of shares of the Company shall be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called
- 24 8 Any notice or other document, addressed to a member at his registered address or address for service in the United Kingdom shall, if sent by post from an address in the United Kingdom, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second-class mail is employed, on the second day after the day when it was put in the post)
- 24 9 Any notice or other document addressed to a member shall, if sent using electronic communications, be deemed to have been served or delivered at the expiration of 24 hours after the time it was first sent. In proving such service or delivery it shall be conclusive to prove that the address used for the electronic communication was the address supplied for that purpose and the electronic communication was properly dispatched, unless the Company is aware that there has been a failure of delivery of such notice or document following at least two attempts in which case such notice or document shall be sent to the member at his registered address or address for service in the United Kingdom provided that the date of deemed service or delivery shall be twenty-four hours from the dispatch of the original electronic communication in accordance with this Article

25 THE SEAL

- 25 1 The provisions of Regulation 101 relating to the seal shall only apply if the Company has a seal
- 25 2 The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two Directors or any one Director and the Company Secretary. Regulation 6 of Table A shall be amended accordingly

26 INDEMNITY AND INSURANCE

26 1 Subject to, and on such terms as may be permitted by the Act, the Company may -

26 1 1 indemnify, out of the assets of the Company, any director or any director of any associated company against all losses and liabilities which he may sustain or incur in the performance of the duties of his office or otherwise in relation thereto,

26 1 2 provide a director with funds to meet expenditure incurred or to be incurred by him in defending any civil or criminal proceedings brought or threatened against him in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the Act to enable a director to avoid incurring such expenditure, and

26 1 3 purchase and maintain insurance for any director or any director of any associated company against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any such associated company

26 2 Subject to and on such terms as may be permitted by the 2006 Act (and without prejudice to the provisions of Article 26 1) -

26 2 1 the Company may also indemnify, out of the assets of the Company, any director of either the Company or any associated company where the Company or such associated company acts as trustee of a Pension Scheme, against liability incurred by him whether before, on or after 1 October 2007 in connection with the relevant company's activities as trustee of such scheme,

26 2 2 the Company may also provide a director with funds to meet expenditure incurred or to be incurred by him whether before, on or after 1 October 2007 in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the 2006 Act to enable a director to avoid incurring such expenditure, and

26 2 3 references to a **director** in Article 26 1 2 and in Article 26 2 2 shall be taken to include a reference to a director of any holding company of the Company, in respect of liability incurred by such a director whether before, on or after 1 October 2007

26 3 For the purpose of Article 26 1 and 26 2, the expression **associated company** shall mean a company which is either a subsidiary or a holding company of the Company or a subsidiary of such holding company as such terms are defined in the Act

27 SUBSIDIARY UNDERTAKINGS

27 1 The Board shall exercise all voting and other rights or powers of control exercisable by the Company in relation to itself and its subsidiary undertaking so as to secure (but as regards its subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that -

27 1 1 no shares or other securities are issued or allotted by any such subsidiary and no rights are granted which might require the issue of any such shares or securities otherwise than to the Company or one of its wholly-owned subsidiaries, and

27 1 2 neither the Company nor any of its subsidiaries transfers or disposes of any shares or securities of any subsidiary of the Company or any interest therein or any rights attached thereto otherwise than to the Company or one of its wholly-owned subsidiaries,

without in either case Lead Investor Consent

28 WINDING UP

28 1 If the Company is wound up, the liquidator may, with Investor Consent and the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability

29 STATOIL DIRECTOR

29 1 So long as Statoil is the registered holder or beneficial owner of at least 9% of the Equity Shares Statoil may appoint one director to the Board and may remove any such director and appoint a replacement in his place provided that such entitlement shall cease if Statoil shall hold less than 9% of the Equity Shares. Prior to any such appointment Statoil shall consult with the Board and take account of such consultation

29 2 Any appointment or removal of the Statoil Director shall be in writing served on the Company signed by or on behalf of Statoil and shall take effect at the time it is served on the Company or (if later) the date expressly stated therein

29 3 Notice of meetings of the Board shall be served on the Statoil Director who is absent from the United Kingdom at the address for service of notices on Statoil under the Investment Agreement. The third sentence of regulation 88 shall not apply

29.4 Upon written request by Statoil the Company shall procure that the Statoil Director is forthwith appointed as a director of any other Group Company indicated in such request

29.5 Regulation 81(e) of Table A shall not apply to the Statoil Director

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