

CYTI LIMITED (the Company)
(company number 07368288)
Private company limited by shares

Written Resolution

6 May 2016 (Circulation Date)

SATURDAY



In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions set out below as a special resolution (the **Resolution**)

1. ADOPTION OF NEW ARTICLES

THAT new articles of association of the Company in the form attached, and signed by a director for identification purposes (the **New Articles**), be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company (including all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act, are treated as provisions of the existing articles of association of the Company)

AGREEMENT TO THE RESOLUTIONS

Please read the notes below before signifying your agreement to the Resolutions. The Resolutions require members holding greater than 75 per cent of the total voting rights of members entitled to vote on the resolutions to vote in favour of it to be passed.

The undersigned, being all of the members of the Company entitled to vote on the above resolution on the Circulation Date, hereby agree to the Resolution.

Paul Byrne

Date

6 May 2016

David Corney

Date

6 May 2016

NOTES

- 1 Once you have indicated your voting intentions, please sign and date this document and return it using one of the following methods
 - 1.1 by hand – delivering the signed copy to Graham Spitz, Fladgate LLP, 16 Great Queen Street, London WC2B 5DG,
 - 1.2 returning the signed copy by post to Graham Spitz, Fladgate LLP, 16 Great Queen Street, London WC2B 5DG,
 - 1.3 by email – attaching a scanned copy of the signed document to an email and sending it to gspitz@fladgate.com. Please enter "Written resolutions" in the email subject box.
- 2 If you do not agree to the Resolutions, you do not need to do anything. You will be deemed not to agree if you fail to reply.

- 3 Once you have indicated your agreement to a Resolution, you may not revoke your agreement
- 4 Unless, by the end of the period of 28 days beginning on the Circulation Date (Lapse Date), sufficient agreement has been received for a Resolution to pass, such Resolution will lapse. If, therefore, you agree to all or any of the Resolutions, please ensure that you return this document (as set out above) on or before the Lapse Date
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document



ARTICLES OF ASSOCIATION

of CYTI LIMITED

Private company limited by shares
Incorporated in England and Wales

**Adopted under the Companies Act 2006 by
special resolution on 6 May 2016**

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**Articles of association
of**

CYTI Limited

Adopted under the Companies Act 2006 by special resolution on 6 May 2016

1. Model Articles

- 1 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles
- 1 2 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17 52 and 53 of the Model Articles shall not apply to the Company
- 1 3 Article 7 of the Model Articles shall be amended by
 - 1 3 1 the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - 1 3 2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 4 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"
- 1 5 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 6 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 17(2)," after the word "But"
- 1 7 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under a1ticle 27(2)," after the words "the transmittee's name"
- 1 8 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

2 Definitions and interpretation

The definitions and interpretation provisions in Schedule 1 apply in these articles

3. Share capital

- 3 1 The issued share capital as at the date of adoption of these articles is £100 02 (one hundred pounds and two pence) divided into 5,000 A Ordinary Shares, 5,000 B Ordinary Shares and 2 C Ordinary Shares
- 3 2 The A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall rank pan passu in all respects except as expressly set out in these articles

4 Proceedings at general meetings

- 4 1 No business shall be transacted at any general meeting of the Company unless a quorum is present Two persons entitled to vote upon the business to be transacted, being a member or a proxy for a member or a duly authorised

representative of a corporation, shall be a quorum provided one such person is the Majority A Shareholder and one such person is the Majority B Shareholder
Article 38 of the Model Articles shall be amended accordingly

- 4 2 If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the holding of the meeting a quorum in accordance with article 4 1 is not present, or if during the meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week or to such other day and at such other time and place as the chairman (or, in default, the Board) may decide and the quorum for such adjourned meeting shall be two persons entitled to vote upon the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum provided one such person is the holder of A Ordinary Shares and one such person is the holder of B Ordinary Shares Article 41 of the Model Articles shall not apply

5. New issues of Shares

- 5 1 Any unissued Shares in the capital of the Company from time to time shall, before they are issued, be offered to the Shareholders in proportion to the nominal value of the Shares held by them The making of such an offer is subject to any direction or agreement to the contrary given by special resolution of the Company in a general meeting or contained in a written resolution of the Shareholders from time to time It is also subject to the remaining paragraphs of this article 5
- 5 2 The offer referred to in article 5 1 shall be at the same price and on the same terms to each Shareholder The offer shall be made by notice specifying the number of Shares offered the proportionate entitlement of the relevant Shareholder and the price per Share If not accepted within ten Business Days, will be deemed to be declined (**Acceptance Period**)
- 5 3 At the expiration of the time limited by the offer the Directors shall allot the Shares so offered to or among the Shareholders who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer No Shareholder shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take
- 5 4 Any Shares not accepted pursuant to the offer or not capable of being so offered except by way of fractions and any Shares released from the provisions of this article 5 by special resolution or written resolution as specified in such resolution shall, subject to the provisions of section 551 of the Act, be at the disposal of the Directors However, no Shares shall be issued at a discount and, in the case of Shares not accepted as mentioned, such Shares shall not be disposed of on terms which are more favourable to the subscribers of such Shares than the terms on which they were offered to the Shareholders
- 5 5 The discretion of the Directors contained in article 5 4 as to the allotment and disposal of the Company's shares shall in any event be subject to the provisions of any agreement relating to such allotment or disposal binding on the Company from time to time and any directions contained in any resolution creating such Shares
- 5 6 The offer referred to in article 5 1 shall not be required to be made in respect of the issue of any Shares in the capital of the Company pursuant to the exercise of any option to subscribe for Shares lawfully granted to any person and not made in contravention of any agreement to which the Company is a party from time to time

- 5 7 Any Shares issued to a member holding A Ordinary Shares shall automatically be designated as A Ordinary Shares, any Shares issued to a member holding B Ordinary Shares shall automatically be designated as B Ordinary Shares and any Shares issued to a member holding C Ordinary Shares shall automatically be designated as C Ordinary Shares Any Shares issued other than to a member shall be designated as the Board shall determine Where a member holds more than one class of Shares, the designation shall be as determined by the Board

6 Variation of class rights

If the share capital of the Company is divided into shares of different classes, any of the rights to any class of shares (notwithstanding that the Company may be or be able to be in liquidation) may (unless the rights attached to the shares of the class otherwise provide) be varied or abrogated in any manner, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class passed at a separate meeting of the holders of the shares of the class duly convened and held in accordance with these articles

7. Pre-emption rights on transfers of Shares

- 7 1 A Shareholder shall not create or permit to exist any charge, lien (except as provided under article 13) or encumbrance over any of his Shares nor may he sell, transfer or dispose of any of his Shares or any interest in them (or agree to do so whether subject to any condition precedent, condition subsequent or otherwise) except

7 1 1 with the prior written consent of any Shareholder or Shareholders who, either alone or together, holds or hold at least 75% or more in nominal value of the issued Shares,

7 1 2 as required or permitted by article 10,

7 1 3 as required by article 11, or

7 1 4 for a transfer of such Shares in accordance with the following provisions of this article 7

- 7 2 A Shareholder proposing to transfer some or all of the Shares registered in his name (**Proposing Transferor**) shall, unless such transfer falls within one of the exceptions in articles 7 1 1 to 7 1 3, give notice in writing (**Transfer Notice**) to the Company that he wishes to transfer such Shares (**Transfer Shares**) Such notice shall constitute instructions to the Company (acting by the Board) to act as his agent for the sale of the Transfer Shares at the Offer Price (as defined below) in accordance with this article 7 A Transfer Notice shall state whether the Proposing Transferor wishes to impose a **Total Transfer Condition** (meaning a condition that unless all of the Transfer Shares are sold to a Purchasing Shareholder or Purchasing Shareholders and/or a Nominated Person or Nominated Persons (each as defined below) pursuant to the following provisions of this article 7 none of the Transfer Shares shall be so sold) but, in the absence of such a statement, the Transfer Notice shall be deemed not to contain a Total Transfer Condition A Transfer Notice shall be irrevocable

- 7 3 Within seven days after the receipt, or deemed receipt, of any Transfer Notice, the Board shall serve a copy of that Transfer Notice on all the Shareholders other than the Proposing Transferor In the case of a Transfer Notice deemed to be given under article 8, the Board shall similarly serve notice on all the Shareholders (including the Proposing Transferor) notifying them that the Transfer Notice has been deemed to have been given

- 7 4 In this article 7 the expression **Offer Price** shall mean the price per Transfer Share specified in the Transfer Notice at which the Proposing Transferor is prepared to sell the Transfer Shares, and any failure to specify such a price shall render the Transfer Notice void and ineffective
- 7 5 At the same time as copies of the Transfer Notice are served on Shareholders under article 7 3, the Company shall offer the Transfer Shares to the Shareholders holding the same class of Shares as the Transfer Shares (other than the Proposing Transferor) in proportion (as nearly as may be) to the nominal value of the class of Shares held by them respectively Every such offer shall be made in writing specifying the number of Shares offered (**Proportionate Class Entitlement**) and shall be accompanied by forms of application for use by the Shareholder in applying for his Proportionate Class Entitlement and for any Transfer Shares in excess of any such entitlement which he is prepared to purchase Every such offer shall be open for acceptance in whole or in part within 21 days from the date of its despatch
- 7 6 At the expiry of such period of 21 days, the Directors shall allocate the Transfer Shares in the following manner
- 7 6 1 to each such Shareholder who has agreed to purchase Transfer Shares (**Purchasing Class Shareholder**) there shall be allocated his Proportionate Class Entitlement or such lesser number of Transfer Shares for which he may have applied,
- 7 6 2 to the extent that any Shareholder has applied for less than his Proportionate Class Entitlement, the excess shall be allocated (as nearly as may be) pro rata to the nominal amount of the existing holdings of shares of the Shareholders who have applied for any part of such excess provided that any apportionment made under this article 7 6 2 shall be made so as not to result in any such Shareholder being allocated more Transfer Shares than he has applied for (any remaining excess being apportioned by applying this article 7 6 2 without taking account of such Shareholder)
- 7 7 If all the Transfer Shares are not accepted by a Purchasing Class Shareholder(s) the Board shall, within five days after the period referred to in article 7 5, offer any remaining Transfer Shares to the Shareholders holding the other class of Shares as the Transfer Shares in proportion (as nearly as may be) to the nominal value of the class of Shares held by them respectively Every such offer shall be made in writing specifying the number of Shares offered (**Proportionate Other Class Entitlement**) and shall be accompanied by forms of application for use by the Shareholder in applying for his Proportionate Other Class Entitlement and for any Transfer Shares in excess of any such entitlement which he is prepared to purchase Every such offer shall be open for acceptance in whole or in part within 21 days from the date of its despatch
- 7 8 At the expiry of such period of 21 days, the Directors shall allocate the Transfer Shares in the following manner
- 7 8 1 to each such Shareholder who has agreed to purchase Transfer Shares (**Purchasing Other Class Shareholder**) there shall be allocated his Proportionate Other Class Entitlement or such lesser number of Transfer Shares for which he may have applied,
- 7 8 2 to the extent that any Shareholder has applied for less than his Proportionate Class Entitlement, the excess shall be allocated (as nearly as may be) pro rata to the nominal amount of the existing

holdings of shares of the Shareholders who have applied for any part of such excess provided that any apportionment made under this article 7 8 2 shall be made so as not to result in any such Shareholder being allocated more Transfer Shares than he has applied for (any remaining excess being apportioned by applying this article 7 8 2 without taking account of such Shareholder)

- 7 9 If all the Transfer Shares are not accepted by a Purchasing Class Shareholder(s) or a Purchasing Other Class Shareholder(s) (together a **Purchasing Shareholder**), the Board may within 30 days after the expiry of the 21 day period referred to in article 7 8, in which applications from Shareholders can be made, nominate any person or persons (which may include the Company itself) to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder(s) but no such person shall be entitled to be nominated unless
- 7 9 1 he shall be bound to purchase the Transfer Shares in respect of which he is so nominated no later than the expiry of the 30 day period referred to above, or
- 7 9 2 in the case of the Company being nominated, the following conditions shall have been satisfied
- 7 9 2 1 a special resolution shall have been passed pursuant to section 694(2) of the Act approving the terms of a proposed share purchase agreement for the purchase by the Company of the Transfer Shares in respect of which it is so nominated from the Proposing Transferor,
- 7 9 2 2 under the terms of the proposed share purchase agreement the Company would be bound to purchase the Transfer Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Offer Price,
- 7 9 2 3 the proposed share purchase agreement when executed would impose no obligations on the Proposing Transferor other than to sell the relevant Transfer Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party rights and with all rights attaching to them at the time the agreement is executed,
- 7 9 2 4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 685 to 736 (inclusive) of the Act, and
- 7 9 2 5 the Directors shall have resolved that the share purchase agreement be executed by the Company
- 7 10 Subject to, and immediately following, the satisfaction of all the conditions set out in article 7 9 2, the Company and the Proposing Transferor shall execute the proposed share purchase agreement (**Buy Back Agreement**)
- 7 11 Within 28 days of the expiry of the 21 day period under article 7 8 in which applications from Shareholders can be made or, if all the Transfer Shares are not accepted by a Purchasing Class Shareholder(s) or Purchasing Other Class Shareholder(s), the expiry of the 30 day period under article 7 9, the Board shall notify the Proposing Transferor and all Purchasing Shareholders of the details of

the applications which have been made, of the allocations made as between Purchasing Shareholders under article 7 6 and of the person or persons nominated under article 7 9 and those Transfer Shares which each such person is bound to purchase

- 7 12 Any sale of Shares effected pursuant to this article 7 to a Purchasing Shareholder or a person nominated under article 7 9 (**Nominated Person**) shall be at the Offer Price
- 7 13 Subject as provided below in this article 7 13 and in article 7 15, the Proposing Transferor shall be bound, upon payment of the Offer Price, to transfer those Transfer Shares which have been allocated to the Purchasing Shareholders pursuant to article 7 6 to such Purchasing Shareholders and to each Nominated Person those Transfer Shares which such person is bound to purchase and to deliver the relative share certificates (or an appropriate indemnity in respect of any lost certificates), and such payment shall be deemed to be made validly if it is made to the Company to be held in trust for the Proposing Transferor against delivery of such transfers and share certificates (or indemnity) In the case of Transfer Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Transfer Shares shall take place in accordance with the terms of the Buy Back Agreement
- 7 14 Subject to article 7 15, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the Proposing Transferor may, within 60 days after the date on which he received notification under article 7 11, transfer all (but not some) of the Transfer Shares which have not been accepted to one or more persons, whether or not they are Shareholders, on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor)
- 7 15 If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the Proposing Transferor may, if the Transfer Notice contained a Total Transfer Condition, within 30 days after the date on which he received notification under article 7 11, transfer all (but not some) of the Transfer Shares (despite the fact that some of the Transfer Shares have been accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons) to one or more persons whether or not they are Shareholders on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor)
- 7 16 If the Proposing Transferor, having become bound to transfer the Transfer Shares pursuant to article 7 13, fails to transfer such Transfer Shares, the Directors may authorise some person (who is (as security for the performance of the Proposing Transferor's obligations) irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company shall receive the purchase money and shall upon receipt of such money (subject to such instrument being stamped with any required stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on trust for the Proposing Transferor The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the Proposing Transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company The receipt of the Company for such purchase money shall be a good

discharge to the transferee who shall not be bound to see to the application of such money, and after the name of the transferee has been entered in the register of members in purported exercise of the above-mentioned power the validity of the proceedings shall be unchallengeable

- 7 17 If the Proposing Transferor, having become bound to execute a Buy Back Agreement, fails to do so, the secretary of the Company (who is (as security for the performance of the Proposing Transferor's obligations) irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose) may execute the Buy Back Agreement, and receive the purchase money due in respect of it, on the Proposing Transferor's behalf. The receipt of the secretary for such purchase money shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt. The secretary shall hold such purchase money on trust for the Proposing Transferor but shall not be bound to earn or pay interest on any money so held and shall not pay such money to the Proposing Transferor until the Proposing Transferor shall have delivered to the Company his share certificates (or an appropriate indemnity in respect of any lost certificates) relating to the Transfer Shares the subject of the Buy Back Agreement
- 7 18 A transfer of Transfer Shares made pursuant to this article 7 to a Purchasing Shareholder or Purchasing Shareholders or to a Nominated Person or Nominated Persons shall be on terms that the Proposing Transferor shall transfer the whole of the legal and beneficial title to such Shares free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such Shares in existence at the date of transfer and which may arise afterwards
- 7 19 Any Share transferred to a Shareholder holding A Ordinary Shares shall be reclassified as an A Ordinary Share, any Share transferred to a Shareholder holding B Ordinary Shares shall be reclassified as a B Ordinary Share

8. Deemed transfers

- 8 1 Any Shareholder who becomes aware of the occurrence of a Deemed Transfer Event shall immediately notify the Company and all the other Shareholders in writing of that Deemed Transfer Event. In this article 8 the expression **Relevant Date** means, in relation to a Deemed Transfer Event, the date on which the shareholders (as a whole) actually become aware of such Deemed Transfer Event
- 8 2 After the happening of a Deemed Transfer Event in respect of a Shareholder, the Board may serve written notice (**Requirement Notice**) on that Shareholder or his Representatives (each, a **Relevant Shareholder**) and the Company within six months of the Relevant Date requiring the Relevant Shareholder to offer all his Shares for transfer pursuant to article 7. If the Shareholder who the Deemed Transfer Event relates to is also a Director then, notwithstanding any other provision of these articles, that Director shall not be counted towards the quorum or have a vote on such matter. A Requirement Notice may not be served more than once on a Shareholder in respect of the same Deemed Transfer Event
- 8 3 Immediately upon a Requirement Notice being served, the Relevant Shareholder shall be deemed to have served a Transfer Notice under article 7 in respect of all the Shares which are then registered in his name and article 7 shall take effect accordingly, except that

- 8 3 1 the Offer Price shall be the fair value other than where the Requirement Notice is served following a Change of Owner in which case the Offer Price for the relevant Shares shall be the nominal value, and
- 8 3 2 the Transfer Notice shall be deemed not to contain a Total Transfer Condition
- 8 4 In this article 8 the expression **fair value** means such sum per Share as may be agreed within 14 days after the service of a Requirement Notice between the Relevant Shareholder and the other Shareholders as representing the fair market value of the Relevant Shareholder's Shares or failing any such agreement (for whatever reason) the higher of the amount subscribed for such Share and such sum per Share as may be determined and certified by the Auditors to be the fair market value of such Shares as between a willing buyer and a willing seller and having regard to the fair value of the business of the Company as a going concern and valuing the Shares in question as a rateable proportion of the total value of all the issued Shares which value shall not be enhanced or discounted by reason of the class of share or the fact that the Shares do or do not carry any degree of control over the Company as at the date of the Deemed Transfer Event The Auditors shall act at the cost and expense of the Company and as experts and not as arbitrators in so determining and certifying and their decision shall (in the absence of manifest error) be final The Company shall be responsible for referring any valuation to the Auditors immediately after the expiry of such period of 14 days if no such agreement is reached and shall use all reasonable endeavours to procure that the Auditors shall reach their determination as soon as possible after such referral
- 8 5 Any Requirement Notice served during the Active Period of a previous Transfer Notice relating to all or any of the same shares shall prevail and upon such service such Transfer Notice shall immediately cease to have effect
- 8 6 A reference to a **Shareholder** in the definition of Deemed Transfer Event not only includes a holder of Ordinary Shares but also includes a joint holder of Ordinary Shares If a Relevant Shareholder holds Ordinary Shares jointly then the provisions of this article 8 shall extend to all the jointly held Relevant Shares and to all the joint holders of the Relevant Shares
- 8 7 For the purpose of ensuring that no circumstances have arisen where a Transfer Notice is required to be given or may be called for, the Directors may from time to time require any Shareholder or the representatives of any Shareholder or any person named as transferee in any transfer lodged for registration to provide the Directors with such information and evidence as the Directors may think reasonably necessary or relevant for such purpose Failing such information or evidence being provided to the reasonable satisfaction of the Directors within a period of 30 days after such request the Directors shall be entitled to refuse to register the transfer in question or (where no transfer is in question) to require by notice in writing that a Transfer Notice be given within 14 days of the service of such notice in writing in respect of the shares concerned

9. Disenfranchisement

If a Shareholder shall commit any breach of article 7 18 then the Shares registered in his name shall carry no rights whatever (whether as to voting, dividend or otherwise) unless and until the breach is rectified or such Shares are transferred pursuant to and in accordance with article 7

10. Drag along right

- 10 1 Notwithstanding any of the other provisions of these articles, any Shareholder or Shareholders who, alone or together, holds or hold 75% or more in nominal value of the issued Shares (**Calling Shareholders**) shall have the right at any time to require all of the other Shareholders (**Recipient Shareholders**) by notice in writing to them (**Call Notice**) to sell all of the Shares held by the Recipient Shareholders to any person (**Purchaser**) to whom the Calling Shareholders propose to sell all of their Shares (any such proposal being deemed to be permitted for the purposes of article 7 1), provided that
- 10 1 1 the terms and conditions applying to the sale of the Shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail in, or in one or more attachments to, the Call Notice,
- 10 1 2 the terms and conditions applying to the sale of the Shares held by each of the Recipient Shareholders shall be no less favourable than the terms and conditions applying to the sale of the Shares held by the Calling Shareholders, and
- 10 1 3 the Purchaser is a bona fide arm's length purchaser who is not an associate (as that term is defined in section 435 of the Insolvency Act 1986) of or otherwise connected in any way with any of the Calling Shareholders
- 10 2 Subject to compliance with article 10 1, if a Call Notice is served, all the Shareholders shall be bound to proceed with the sale of all their Shares on the terms and subject to the conditions notified in the Call Notice
- 10 3 No Shareholder shall complete any sale of shares to the Purchaser unless the Purchaser completes the purchase of all the Shares required to be sold simultaneously
- 10 4 If any Recipient Shareholder fails to agree to sell or complete the sale of or make any required election in respect of any sale of any Shares as he is bound to do in accordance with this article 10, the Calling Shareholders may authorise some person (who is (as security for the performance of the defaulting shareholder's obligations) irrevocably and unconditionally appointed as the attorney of the defaulting Recipient Shareholder for the purpose) to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice, to make any such election on his behalf (in such manner as the attorney in his absolute discretion shall think fit) and to execute the necessary instrument of transfer of his shares and may deliver such transfer on his behalf and the Company may receive the purchase consideration and shall upon receipt of such consideration (subject to such instrument being stamped with any required stamp duty) cause the transferee to be registered as the holder of the Shares being transferred and shall hold such purchase consideration on trust for the defaulting Recipient Shareholder The Company shall not be bound to earn or pay interest on any purchase consideration so held and shall not deliver such purchase consideration to any defaulting Recipient Shareholder until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company The receipt of the Company for such purchase consideration shall be a good discharge to the transferee who shall not be bound to see to the application of such money, and after the name of the transferee has been entered in the register of Shareholders in purported exercise of such power the validity of the proceedings shall be unchallengeable

- 10 5 For the purposes of this article 10, a **sale** shall include a disposal of Shares where the consideration is to be provided wholly or partly in securities or any other non-cash consideration and the expressions **sell**, **purchase** and **purchaser** shall be construed accordingly

11. Tag-along

- 11 1 Notwithstanding any of the other provisions of these articles, where any Shareholder or Shareholders who, either alone or together, holds or hold at least 75% or more in nominal value of the issued Shares (**Majority Shareholders**) wish to sell all of (as opposed to part of) their Shares to a proposed third party buyer (**Proposed Buyer**) they will prior to completion of the sale of their Shares jointly issue a notice (**Transfer Notice**) to all other Shareholders (**Recipient Shareholders**) The Transfer Notice shall contain a written offer from the Proposed Buyer to purchase an equivalent proportion of the Shares then held by the Recipient Shareholders on the same terms as those as agreed between the Majority Shareholders and the Proposed Buyer
- 11 2 The offer contained within any Transfer Notice from the Proposed Buyer served in accordance with article 11 1 will be expressed to be
- 11 2 1 irrevocable without the written consent of the Recipient Shareholders,
- 11 2 2 governed by English law, and
- 11 2 3 open for acceptance in writing by the Recipient Shareholders during a period of 30 days from the date of receipt of the offer
- 11 3 Any Transfer Notice that does not contain an offer as set out in articles 11 1 and 11 2 shall be considered ineffective to the extent that the Majority Shareholders will not be entitled to transfer the Shares proposed to be sold to the Proposed Buyer, or any interest in them
- 11 4 If all or any of the Recipient Shareholders shall fail to give notice under article 11 2 3 of their desire to sell the Shares registered in their name, then the Majority Shareholders (and such of the Recipient Shareholders who may have given notice under article 11 2 3, shall be free to dispose of their Shares to the Proposed Buyer, but only in accordance (in all material respects) with the terms specified within the Transfer Notice
- 11 5 No Shareholder shall complete any sale of Shares to the Proposed Buyer unless the Proposed Buyer shall complete the purchase of all of the Shares of the Majority Shareholders and all of the Shares held by such of the Recipient Shareholders who shall have given notice under article 11 2 3 simultaneously
- 11 6 The provisions of this article 11 shall apply only to a proposed sale of Shares to a third party buyer for value and (but without limitation) shall not be applicable to a proposed transfer of Shares where the transferee shall be an Associated Company of, spouse or child of, trustee of a trust established for the benefit of such a spouse, child or other linear descendant of, any Shareholder or the beneficial owner(s) of any Share originally held by a nominee shareholder

12. Voting rights

Every Shareholder holding one or more Shares shall be entitled to vote on a show of hands who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy and shall have one vote

13 Lien

The Company shall have a first and paramount lien on every Share, whether fully paid or not, registered in the name of any person, whether as a sole or joint holder, indebted to the Company for all monies due to the Company, whether in respect of that Share or not. The Company's lien, if any, on a Share shall extend to any amount payable in respect of it. The registration of a transfer of a Share shall operate as a waiver of any lien of the Company on the Share. The Directors may resolve to exclude any Share or any amount payable in respect of a Share from the application of this article 12.

14 Appointment and retirement of Directors

- 14 1 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall not exceed three
- 14 2 The Majority A Shareholder shall have the right from time to time and at any time to appoint any person or persons as a Director or Directors (**A Shareholder Director**) and to remove from office any Director however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by a director or the secretary of the Majority A Shareholder on its behalf and shall take effect when delivered to the registered office of the Company or to the secretary of the Company or when produced at a meeting of the Directors.
- 14 3 The Majority B Shareholder shall have the right from time to time and at any time to appoint any person or persons as a Director or Directors (**B Shareholder Director**) and to remove from office any Director however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by a director or the secretary of the Majority B Shareholder on its behalf and shall take effect when delivered to the registered office of the Company or to the secretary of the Company or when produced at a meeting of the Directors.
- 14 4 It shall not be necessary to give special notice under the Act of any resolution appointing, reappointing or approving the appointment of a Director by reason of his age.
- 14 5 Subject to article 8 2, each A Shareholder Director and each B Shareholder Director shall have one vote on any resolution proposed at a meeting of the Directors.

15. Proceedings of Directors

- 15 1 Decisions of the Directors may be taken
 - 15 1 1 at a Directors' meeting, or
 - 15 1 2 in the form of a Directors' written resolution
- 15 2 Any Director may propose a Directors' written resolution. A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors.
- 15 3 Notice of a proposed Directors' written resolution must be given in writing to each Director and must indicate
 - 15 3 1 the proposed resolution, and
 - 15 3 2 the time by which it is proposed that the Directors should adopt it
- 15 4 A proposed Directors' written resolution is adopted when each Director who would be entitled to vote on the matter at a meeting of Directors has signed one or more copies of it.
- 15 5 It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted.

- 15 6 Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with the articles
- 15 7 Subject to article 8 2, no business of the Company shall be transacted at a meeting of the Board unless the A Shareholder Director as may be specified by the Majority A Shareholder and the B Shareholder Director as may be specified by the Majority B Shareholder from time to time (in writing to the Company) are present Article 11 of the Model Articles shall be amended accordingly
- 15 8 No business of the Company shall be transacted at a meeting of the Directors unless not less than 24 hours' notice of the meeting has been given to each of the Directors
- 15 9 Subject to article 8 2, questions arising at a meeting of the Board shall be decided by a majority of votes save that no resolution shall be passed at a meeting of the Board unless the A Shareholder Director and the B Shareholder Director vote in favour of such resolution
- 15 10 Proceedings of committees of the Board shall be conducted in accordance with the regulations prescribed by the Board (if any) Subject to those regulations, such proceedings shall be conducted in accordance with applicable provisions regulating the proceedings of the Board Where the Board resolves to delegate any of its powers, authorities and discretions to a committee and such resolution states that the committee shall consist of any one or more Directors, it shall not be necessary to give notice of a meeting of such committee to any Directors other than the Director or Directors who form the committee
- 15 11 All acts done in good faith by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director, an alternate director or a committee member shall, notwithstanding that it may be discovered afterwards that there was a defect in the appointment of any person so acting or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, alternate director or committee member and entitled to vote
- 15 12 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company
- 15 12 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- 15 12 2 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- 15 12 3 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- 15 12 4 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

15 12 5 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

16 Representatives

These articles shall be binding upon and shall apply for the benefit of each Shareholder's Representatives

17. Chairman

17 1 The chairman of the Board shall be appointed by the B Shareholder Director

17 2 In chairman of the Board shall not have a second or casting vote

18 Alternate Directors

18 1 Any Director (**appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to

18 1 1 exercise that Director's powers, and

18 1 2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor

18 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors

18 3 The notice must

18 3 1 identify the proposed alternate, and

18 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

18 4 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor. An alternate director who is acting as alternate director to more than one director shall be entitled to one vote for each director for which he is acting as alternate

18 5 Except as the articles specify otherwise, alternate directors

18 5 1 are deemed for all purposes to be Directors,

18 5 2 are liable for their own acts and omissions,

18 5 3 are subject to the same restrictions as their appointors, and

18 5 4 are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of directors of which his appointor is a member

- 18 6 A person who is an alternate director but not a Director
- 18 6 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating) but shall only count once in the quorum if acting as alternate for more than one Director,
 - 18 6 2 may participate in a unanimous decision of the Directors (but only if his appointor is a Director who would be entitled to vote on the matter at a meeting of Directors in relation to that decision, but does not participate), and
 - 18 6 3 shall not be counted as more than one Director for the purposes of articles 18 6 1 and 18 6 2
- 18 7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is would be entitled to vote on the matter at a meeting of directors in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present
- 18 8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company
- 18 9 An alternate director's appointment as an alternate terminates
- 18 9 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
 - 18 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,
 - 18 9 3 on the death of the alternate's appointor, or
 - 18 9 4 when the alternate's appointor's appointment as a Director terminates

19. Secretary

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

20. Indemnity

Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director, alternate director, secretary or other officer of the Company (excluding the Auditors, unless and to the extent that the Board determines otherwise) shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities, incurred by him in the actual or purported execution or discharge of his duties or exercise of his powers or otherwise in relation to such duties, including (but without limitation) any liability incurred in defending any proceedings, whether criminal or civil, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 205 of the Act in which relief is granted to

him by any court of competent jurisdiction or which are otherwise disposed of without any finding or admission of any material breach of duty on his part

21. Insurance

21 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

21 2 In this article 21

21 2 1 a **relevant officer** means any director or other officer or former director or other officer of the Company or an Associated Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)),

21 2 2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company

22. Authorisation of Directors' conflicts of interest

22 1 If a Conflict Situation arises, the Directors may authorise it for the purposes of section 175(4)(b) of the Act by a resolution of the Directors made in accordance with that section and these articles. At the time of the authorisation, or at any time afterwards, the Directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the Directors

22 2 It is recognised that a Director

22 2 1 may be an employee, consultant, director, member or other officer of a Shareholder or of an affiliate of a Shareholder,

22 2 2 may be taken to have, through previous or existing dealings, a commercial relationship with a Shareholder or with an affiliate of a Shareholder,

22 2 3 may be a director or other officer of, or be employed by, or otherwise involved in the business of other entities in which a Shareholder or an affiliate of a Shareholder has or may have an interest from time to time,

22 2 4 may be a director or other officer of, or be employed by, or otherwise involved in the business of other entities who may from time to time provide to the Company loans, funding or other forms of finance whether secured or unsecured, and

22 2 5 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such other directorship, membership, office, employment, relationship or his involvement with a Shareholder, an affiliate of a Shareholder or with any entity referred to in articles 22 2 3 and/or 22 2 4 and he shall not be in breach of the duties he owes to the Company as a result of any Conflict Situation which arises from the relationships contemplated by this article, including (without limitation) in relation to proposals for financing or otherwise promoting the business of (whether in competition with the Company or not) any such other entity

- 22 3 In circumstances where there exists a Conflict Situation and notwithstanding any other provision of these articles, each Director affected shall
- 22 3 1 be entitled to receive any papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates,
 - 22 3 2 not be excluded from those parts of meetings of the Directors or meetings of a committee of the Directors at which matters to which the Conflict Situation relates are discussed, and
 - 22 3 3 be entitled to vote (and form a part of the quorum) at any such meeting, and any information which he obtains, other than in his capacity as a Director or employee of the Company, which is confidential in relation to an entity referred to in article 22 2, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence

Schedule 1
Definitions and interpretation
(Clause 2)

- 1 In these articles of association including the schedules the following words and expressions have the following meanings

A Ordinary Shares	the A Ordinary Shares of £0 01 (one pence) each in the capital of the Company
A Shareholder	a registered holder of any A Ordinary Shares
Act	the Companies Act 2006,
Active Period	in respect of a Transfer Notice, the period from the time of its service until the time when none of the shareholders has any further rights or duties, directly or indirectly, to that notice
Associate	shall have the meaning prescribed in section 435 of the Insolvency Act 1986
Associated Company	shall have the meaning prescribed in section 25(4) of the Corporation Tax Act 2010
Auditors	the auditors of the Company from time to time or, if the auditors shall be unable or unwilling to act in connection with the reference in question, a firm or other entity capable of acting as the Company's auditors nominated by agreement between the Shareholders or failing such nomination within 14 days after a request by any Shareholder for such nomination, nominated by the President (or, if he is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales or, if he shall be unable or unwilling to make an appointment, by the High Court of Justice in England (in either of the latter cases, upon the application at any time of any shareholder)
B Ordinary Shares	the B Ordinary Shares of £0 01 (one pence) each in the capital of the Company
B Shareholder	a registered holder of any B Ordinary Shares
Board	the board of directors for the time being of the Company or the Directors present at a duly convened meeting of Directors in which a quorum is present and acting by resolution duly passed at such a meeting of the Directors or otherwise permitted by these articles
Business Day	a day other than a Saturday or Sunday or a day which is a public holiday in England
C Ordinary Shares	the C Ordinary Shares of £1 (one pound) each in the capital

	of the Company
Change of Owner	other than with the written consent of the Majority A Shareholder, Paul Byrne shall not be the legal and beneficial owner of at least 95% of the issued share capital of Spinning
Conflict Situation	a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, tangible or intangible asset, information or opportunity and regardless of whether the Company could take advantage of the property, asset, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest
Deemed Transfer Event	<p>where a Shareholder is either an individual or Paul Byrne (in relation to Spinning's shareholding)</p> <ol style="list-style-type: none"> 1 such Shareholder being adjudicated bankrupt or making any voluntary arrangement or composition with his creditors, or 2 such Shareholder, suffering from mental disorder and either <ol style="list-style-type: none"> 2 1 being admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or 2 2 an order being made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, <p>and where the Shareholder is Spinning, a Change of Owner occurs</p>
Directors	the directors of the Company for the time being, including any directors appointed pursuant to articles 14 2 and 14 3
Group	the Company and any subsidiary or subsidiaries (if any) of the Company from time to time
Majority A Shareholder	whilst David Corney is the holder of any A Ordinary Shares, such term means David Corney but otherwise the term means the holder for the time being of the majority in number of issued A Ordinary Shares
Majority B Shareholder	whilst Spinning is the holder of any B Ordinary Shares,

such term means Spinning but otherwise the term means the holder for the time being of the majority in number of issued B Ordinary Shares

Model Articles	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles
Representatives	in relation to a Shareholder, any person or persons who have become entitled to his Shares in consequence of his death, bankruptcy or mental incapacity
Requirement Notice	has the meaning given to it in article 8 2
Share	a share in the capital of the Company of whatever class
Shareholder	a registered holder of Shares in the Company (and includes joint holders)
Spinning	Spinning Investments Limited

2 In these articles

- 2 1 words and phrases defined in the Act bear the meanings given to them in the Act unless given a different meaning in these articles,
- 2 2 unless specified to the contrary, use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity, and (in each case) vice versa,
- 2 3 reference to any statute or statutory provision includes a reference to that statute or statutory provision as from time to time amended, extended or re-enacted,
- 2 4 in relation to any Shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that Shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned, and
- 2 5 the headings shall not affect interpretation