

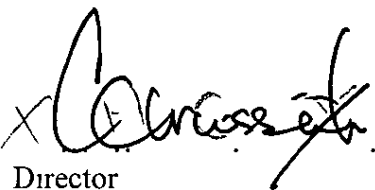
**Written Special Resolutions
of
Advanced Media Protection Limited ("the Company")
(Company Number 7647396)**

The following resolutions were passed as special resolutions
on the 8th day of January 2013.

That

- 1 the existing articles of the Company shall no longer apply to the Company,
- 2 the Company adopt, in the place of those articles, the articles of association already prepared, a copy of which is attached, and
3. the Company's Board be directed immediately to register them with the Registrar of Companies

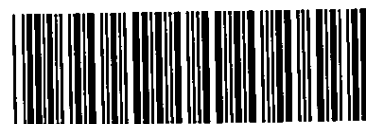
Signed


Director

Date

8th January 2013

FRIDAY



A05

"A20RJST4"

25/01/2013

#260

COMPANIES HOUSE

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
of

ADVANCED MEDIA PROTECTION LIMITED
(Adopted by a written resolution passed on 8th January December 2012)

Document Control : 002

FRIDAY



A20RJSSW
A05 25/01/2013 #259
COMPANIES HOUSE

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
NEW

ARTICLES OF ASSOCIATION

of

ADVANCED MEDIA PROTECTION LIMITED

(Adopted by a written resolution passed on ^{January}~~8th~~ December 2012)

1. Definitions

In these Articles the following words and expressions shall have the following meanings

"**A Shares**" means A Preference Shares of £0.01 each in the capital of the Company,

"**Act**" means the Companies Act 2006 (as amended from time to time),

"**Acting in Concert**" bears the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"**Affiliate**" means, in respect of any person

(a) any person connected with such person (and "connected with" bears the meaning set out in section 1122 CTA2010), and/or

(b) any company, partnership or other entity which controls, is controlled by or is under common control with such person (and "control" bears the meaning set out in section 1124 CTA2010)

"**Associate**" in relation to any person means any person who is an associate of such person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986,

"**Auditors**" means the auditors for the time being of the Company,

"**Board**" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday),

"C Shares" means C preference shares of £0.01 each in the capital of the Company,

"Change of Control Event" means the Controlling Interest in the Company changing from one entity or partnership or person or persons Acting in Concert to another, including, without limitation, a merger, acquisition, consolidation, issuance or transfer of Shares or other transaction or series of transactions in which the Company's members prior to such transaction will not retain a majority of the voting power of the surviving entity,

"Civil Partner" means in relation to a Shareholder

- (c) a civil partner (as defined in the Civil Partnerships Act 2004) of the Shareholder, or,
- (d) a person living in the same household as the Shareholder as his or her wife or husband,

"Company" means Advanced Media Protection Limited (Company number 7647396),

"Controlling Interest" means an interest (within the meaning of sections 820 to 824, inclusive, of the Act) in Shares conferring in the aggregate 50% or more of the total voting rights conferred by all the Shares for the time being in issue and conferring the right to vote at all general meetings,

"Convertible Loan Note" means that convertible loan note which is issuable to the holders of the Investor Shares under certain circumstances,

"Date of Adoption" means the date on which these Articles are adopted,

"Director(s)" means a director or directors of the Company from time to time;

"Encumbrance" includes a mortgage, charge, lien, pledge, right of pre-emption, option, covenant, restriction, lease, trust, order, decree, title defect or any other security interest or conflicting claim of ownership or right to use or any other third party right,

"Expert Valuer" is as determined in accordance with Article 18.2,

"Fair Value" is as determined in accordance with Article 18.3,

"Family Trust" means

- (a) the trustees of any settlement or trust created by the Shareholder solely for the benefit of that Shareholder and/or his immediate family members, or
- (b) any entity acting as bare nominee for the Shareholder,

provided always that such trust or entity is either owned or controlled by the Shareholder,

"Founder" means Perodua Holdings Limited (Company Number BVI 1501135);

"Group" means the Company and its subsidiaries and subsidiary undertakings for the time being,

"Insolvency Event" in relation to a person means any of the following events

- (c) a meeting of creditors of that person being held or an arrangement or composition with or for the benefit of its creditors (including a voluntary arrangement as defined in the Insolvency Act 1986) being proposed by or in relation to that person,
- (d) a chargeholder, receiver, administrative receiver or other similar person taking possession of or being appointed over or any distress, execution or other process being levied or enforced (and not being discharged within seven days) on the whole or a material part of the assets of that person;
- (e) that person ceasing to carry on business or being deemed to be unable to pay its debts within the meaning of section 123 Insolvency Act 1986,
- (f) that person or its directors or the holder of a qualifying floating charge or any of its creditors giving notice of their intention to appoint, appointing or making an application to the court for the appointment of, an administrator, or
- (g) a petition being advertised or a resolution being passed or an order being made for the administration or the winding-up, bankruptcy or dissolution of that person;

"Intellectual Property" means patents, utility models, petty patents, trade and service marks, design rights, logos, trade names, service names, business names, brand names, copyrights, rights in the nature of copyright, resale rights, rental rights, lending rights, moral rights, database rights, domain names, know-how, rights in trade secrets and confidential information, rights protecting reputation and goodwill, rights in unfair competition and all other intellectual property rights and analogous rights as may exist anywhere in the world for the full term of the rights concerned together with all reversions, revivals, extensions and renewals of such rights (whether registered or not), all registrations and pending registrations relating to any such rights, the benefit of any pending applications for any such registrations and the right to apply for registrations of such rights, and all rights of action, powers or benefits belonging or accrued in relation to such rights (including the right to sue for and recover damages for past infringements),

"Investment/Shareholders Agreement" means that agreement entered into between (amongst others) the Company, the Founder and Investors, dated as of [15 December, 2012],

"Investor" means any person being an allottee of Investor Shares and/or any person who becomes an Investor pursuant to Article 16 and who in any such case from time to time holds Shares,

"Investor Consent" means the prior written consent of both an W Director and a T Director,

"Investor Director" means the W Director and/or the T Director,

"Investor Group" means, in relation to any corporate Investor, that Investor and its Associates and Affiliates from time to time,

"Investor Shares" means the W Shares, C Shares and the T Shares (including any Ordinary Shares and/or Ordinary Non-Voting Shares converted from such W Shares, C Shares and or T Shares in accordance with Article 6) and any other Shares which with Investor Consent are designated as Investor Shares by Special Resolution

"IPO" means the first offering of Shares to the public through a recognised stock exchange and as first validly approved by the Company's Board, with the consent of **either** the W Director **or** the T Director,

"IRR" means the internal rate of return on investments,

"Issue Price" means, in relation to any Share, the amount paid up or credited as paid up on it;

"Majority" means as regards members of a class or classes or shares, a majority by reference to the number of shares of that class held and not by reference to the number of members holding shares of that class or classes;

"New Securities" means any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Date of Adoption,

"New Securities Future Series" means the allotment and issuance of New Securities on any future occasion *later than* as part of a New Securities Series A issuance,

"New Securities Series A" means the first allotment and issuance of New Securities (whether in a single issue, a multi-tranche issue or a series of issues (which for the purposes of Article 7 shall together be treated as one issue)) after the allotment and issuance of the Shares pursuant to the Investment/Shareholders Agreement (whether or not there are any issues of New Securities in the intervening period) which meets both of the following requirements (i) the affirmative vote of either the T Director or the W Director, and (ii) resulting in funding commitments, conditional or otherwise, of no less than either (A) £3,000,000 or (B) that amount as specified in the Company's then approved Business Plan (as defined in the Company's Investment/Shareholder Agreement dated as of [15 December, 2012]) and which is necessary to bring the Company's initial product or service to a point of commercial launch,

"Ordinary Non-Voting Shares" means the ordinary non-voting shares of £0.01 each in the capital of the Company,

"Ordinary Shares" means ordinary shares of £0.01 each in the capital of the Company,

"Permitted Transfer" means a transfer of Shares in accordance with Article 16;

"Permitted Transferee" means

- (a) in relation to a Shareholder who is an individual any of his Privileged Relations or Family Trusts,
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161 of the Act) means any Associate or Affiliate,
- (c) in relation to any Investor means any Associate, Affiliate or other Investor, and/or
- (d) in relation to any Shareholder that is an investment fund or a nominee or trustee or general or managing partner of an investment fund. (i) any other investment fund managed or advised by the same manager or adviser as manages or advised the first mentioned fund; (ii) any body corporate that is controlled by one or more investment funds that are managed or advised by the same manager or adviser as manages or advised the first mentioned fund; (iii) any member, partner or shareholder of such investment fund; (iv) any director or employee of such Shareholder or its Associates and Affiliates or any trust or carried interest or similar partnership in which they or any of them participate, or (v) a nominee or custodian of any of the above,
- (e) notwithstanding the foregoing, any Permitted Transferee must meet the following criteria. (i) in the case of a potential transferee being a company whose shares are registered with an internationally recognized stock exchange, (A) the value of the Company shares (as determined by the most recent round of financing obtained by the Company) being transferred may not exceed ten percent (10%) of the market capitalization of the potential transferee (based on the average market capitalization during the ninety days preceding the intended date of transfer), and (ii) in the case of clause (d) (ii) above, where the intended transferee is not or would not become a direct competitor to the Company (as determined by the unanimous vote of the Company's board of directors, excluding any director who is nominated by the transferor Shareholder in question)

"Preference Shares" means the 5.5% cumulative convertible preference shares of £0.01 each in the capital of the Company and such expression shall include the A Shares, the C Shares, the W Shares and the T Shares together,

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue),

"Proposed Purchaser" means a person or persons Acting in Concert as a proposed purchaser who at the relevant time have made a bona fide offer on arm's length terms,

"Qualifying Liquidity Event" means (as first validly approved by the Company's Board with the consent of **either** the W Director **or** the T Director)

(a) an IPO which values the Company at not less than £44,500,000 and raises not less than £8,800,000 in gross proceeds,

(b) a cash-based Change of Control Event ,

(c) or a cash based Sale Event,

in relation to (b) and (c) resulting in a cash return to the holders of the Investor Shares of not less than 5 times the aggregate cost of their initial investment for Investor Shares,

"Registered Office" means the registered office of the Company for the time being,

"Sale Event" means a sale (or other disposition by way of lease license or other transfer) of all or substantially all of the Company's assets or of all or substantially all of its Intellectual Property,

"Shareholder" means any holder of any Shares,

"Shares" means the Ordinary Shares, the Ordinary Non-Voting Shares and the Preference Shares from time to time,

"Share Option Plan" means a share option scheme in a form approved by the Board with the consent of **either** the W Director **or** the T Director by virtue of which the Company may make available to the Investors and employees of and advisors to the Company options to subscribe for Ordinary Non-Voting Shares,

"subsidiary undertaking" and **"holding company"** shall have the meanings set out in the Act,

"Total Allotment" means the 1,239,396 shares (comprising Ordinary Shares, A Shares, T Shares, W Shares and C Shares) allotted and issued immediately following the First Subscription, as defined in the Investment/Shareholders Agreement,

"Transfer Notice" shall have the meaning given in Article 17 2,

"T Director" means any director appointed by the holders of T Shares and holding office from time to time by virtue of Article 28;

"T Shares" means T Preference Shares of £0 01 each in the capital of the Company, and

"W Director" means any director appointed by the holders of W Shares and holding office from time to time pursuant to Article 28,

"W Shares" means W preference shares of £0.01 each in the capital of the Company,

"Winding Up" means a winding up of the Company, a liquidation, dissolution (voluntary or involuntary), an appointment of an administrator, administrative receiver or similar (but only where such an appointment is for the sole purpose of carrying through one of the aforementioned procedures and not where the appointment relates solely to the Company's receipt of counsel or advice on such a procedure or matter), or any other return of capital

2. Preliminary

- 2.1 The objects of the Company shall be unrestricted
- 2.2 The liability of the members of the Company is limited to the amount, if any, unpaid on the Shares held by them

3. Share capital

- 3.1 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by special resolution or attach such rights or restrictions to existing Shares
- 3.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such Shares
- 3.3 The share capital of the Company shall comprise Ordinary Shares, Ordinary Non-Voting Shares and Preference Shares all of £0.01p each. The Preference Shares shall be divided into 4 classes of Preference Share: A Shares, C Shares, W Shares and T Shares
- 3.4 As at the Date of Adoption
 - (A) the issued share capital of the Company is £12,394.00 divided into 324,554 Ordinary Shares and 914,832 Preference Shares (comprising 244,444 C Shares, 244,444 T Shares, 244,444 W Shares and 181,500 A Shares), and
 - (B) the Directors will be authorised for the purposes of Article 13.1 of these Articles (but subject to its applicable provisions) to allot and issue up to a further 366,666 Preference Shares (comprising 122,222 C Shares, 122,222 W Shares and 122,222 T Shares). Notwithstanding the foregoing, the Directors shall always have the authority to allot and issue Shares but solely to the extent so permitted within these Articles
- 3.5 There shall be no restriction on the number of shares, which may be issued by the Company except as may be expressly provided for in these Articles

- 3 6 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects save only as to the date from which such shares rank for dividend) with the shares of the relevant class then in issue
- 3 7 Save as otherwise provided in these Articles, the Ordinary Shares, the Ordinary Non-Voting Shares and the Preference Shares shall rank pari passu in all respects but the Ordinary Shares and Ordinary Non-Voting Shares together and the Preference Shares (being the A Shares, the W Shares, the C Shares and the T Shares together) shall constitute separate classes of shares
- 3 8 Except as required by law, no person shall be recognised by the Company as holding any share on trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right of the holder to the share in its entirety, even if the Company has notice of that interest
4. **Dividends**
- 4.1 The Preference Shares shall confer the right to a fixed cumulative preferential dividend at the rate of 5.5% per annum on the amounts for the time being paid up thereon (the "**Preference Dividend**") The Preference Dividend shall be deemed to automatically accrue from day to day commencing on the date of issue of the relevant Preference Shares and shall rank for payment in priority to the payment of a dividend on any other Shares
- 4 2 The Preference Dividend shall be payable
- (A) when and if declared by the Board, or
 - (B) upon liquidation, dissolution or Winding Up of the Company,
 - (C) upon a Change of Control Event;
 - (D) upon a Sale Event, or
 - (E) upon redemption (if any), it being understood that the exchanging of the Preference Share for a different financial instrument issued by the Company shall not be a redemption
- 4 3 Subject always to the prior payment of the Preference Dividend (including any arrears of Preference Dividend), in respect of any financial year of the Company, its profits for the time being available for distribution within the meaning of the Act ("**Available Profits**") may be applied as set out in this Article 4
- 4 4 Every dividend shall be distributed to the holders of Ordinary Shares and Ordinary Non-Voting Shares, pari passu as if they are one and the same class of share, pro rata according to the numbers of Ordinary Shares and Ordinary Non-Voting Shares held by

them respectively and shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash or in kind. Each payment of a dividend shall be accompanied by a certificate for the associated tax credit.

- 4.5 Subject to the Act and these Articles, the Board may pay interim dividends to the holders of Ordinary Shares and Ordinary Non-Voting Shares, *pari passu* as if they are one and the same class of share, *pro rata* according to the number of Ordinary Shares and Ordinary Non-Voting Shares held by them respectively if justified by the Available Profits in respect of the relevant period.

5. Distributions from Subsidiaries

The Company shall procure that the profits of each of its subsidiaries for the time being available for distribution shall be paid to it by way of dividend if, and to the extent that, but for such payment the Company would not itself otherwise have sufficient profits available for distribution to pay any amounts due under these Articles.

6. Preference Shares - Conversion

- 6.1 The Preference Shares shall be converted into Ordinary Shares or Ordinary Non-Voting Shares, on the basis provided in this Article:

(A) to the extent that a holder of Preference Shares so requires by written notice to the Company given in accordance with this Article (a "Conversion Notice"), or

(B) automatically on the occurrence of a Qualifying Liquidating Event.

- 6.2 The holders of W Shares, C Shares and T Shares shall, subject to adjustment as provided below, be entitled to convert at the ratio of 5.64835 Preference Shares to one Ordinary Share or one Ordinary Non-Voting Share.

- 6.3 On any conversion by a holder of W Shares, C Shares or T Shares pursuant to Article 6.1(A), the conversion shall be effected so that (as far as possible, without requiring fractions of Shares) of the shares resulting from such conversion:

(A) 55.556% are Ordinary Shares, and

(B) 44.444% are Ordinary Non-Voting Shares.

- 6.4 On any conversion by a holder of A Shares, or by a holder of W Shares, C Shares or T Shares pursuant to Article 6.1(B), all Shares resulting from such conversion shall be Ordinary Shares.

- 6.5 The holder of A Shares shall be entitled to convert at the ratio of 8.3884 A Shares to one Ordinary Share.

- 6.6 A Conversion Notice shall be given to the Company at its Registered Office and shall be accompanied by the share certificate(s) for the Preference Shares to be converted (or an

appropriate indemnity if such certificate(s) are not available) Subject as provided below, a Conversion Notice shall take effect immediately upon its delivery and may not be withdrawn without the written consent of the Company

- 6 7 A Conversion Notice may be given on the basis that the exercise of Conversion Rights under it shall be conditional upon the occurrence of any specified event(s) and by the given time clearly described in the notice and, if such a condition is included, the Conversion Rights shall be deemed exercised upon but with effect immediately prior to the fulfillment of the condition concerned A conditional Conversion Notice may be withdrawn by written notice given to the Company before it becomes unconditional
- 6 8 A Conversion Notice may not be given later than twenty-eight days after the passing of a resolution or making of an order for the winding up of the Company but if given after such resolution or order is passed or made and within such time limit shall take effect immediately before such resolution or order was passed or made
- 6 9 Upon conversion of Preference Shares under this Article (or as soon as lawfully permissible thereafter) the Company shall
- (A) pay all arrears and accruals of Preference Dividend relating to the Preference Shares concerned (calculated up to and including the date of conversion and whether or not earned or declared) and all unpaid accruals of interest on the Preference Dividend, and
 - (B) subject to delivery to it of the certificate(s) for the Preference Shares converted or an appropriate indemnity if they are not available, issue to the holder a certificate for the Ordinary Shares (and, if applicable, Ordinary Non-Voting shares) resulting from conversion and, if appropriate, a balance certificate for any Preference Shares retained by that holder
- 6 10 A holder of Preference Shares converted under Article 6 1(B) shall deliver to the Company at its Registered Office the certificate(s) for his Preference Shares (or an appropriate indemnity if they are not available) as soon as practicable and in any event within seven days of their conversion
- 6 11 The Ordinary Shares arising on conversion referred to in this Article 6 shall rank pari passu in all respects with the fully paid up Ordinary Shares then in issue and shall entitle the holders to all dividends and other distributions declared made or paid on Ordinary Shares by reference to a record date occurring on or after the date of conversion
- 6 12 The Ordinary Non-Voting Shares arising on conversion referred to in this Article 6 shall rank pari passu in all respects with the fully paid up Ordinary Non-Voting Shares then in issue and shall entitle the holders to all dividends and other distributions declared made or paid on Ordinary Shares by reference to a record date occurring on or after the date of conversion
- 6 13 Conversion of Preference Shares under this Article 6 shall be effected in such manner as the Directors shall, subject to the provisions of the Act, from time to time determine and

they shall be deemed by these Articles duly authorised (as if all necessary resolutions and consents required under these Articles are hereby passed and given) to effect such conversions

- 6 14 No fractions of an Ordinary Share or Ordinary Non-Voting Shares (or balance of any Preference Share not converted) shall arise on conversion of any Preference Shares and accordingly the number of Ordinary Shares and/or Ordinary Non-Voting Shares to arise on Conversion shall be rounded down to the nearest whole number of Ordinary Shares and/or Ordinary Non-Voting Shares (as applicable)

Conversion on winding up

- 6 15 If, at any time, a resolution is passed, or an order is made, for the Winding Up of the Company, the Company shall promptly give notice in writing of that resolution or order to all holders of Preference Shares then outstanding
- 6 16 Within 10 Business Days after the Company has given the notice referred to in Article 6 15, each holder of Preference Shares shall be entitled to give notice in writing to the Company, electing that all or any of his Preference Shares be treated as if the right to convert had been exercisable, and exercised by him, on the day before the commencement of the winding up
- 6 17 Each Shareholder giving the notice referred to in Article 6 16 shall be entitled to be paid a sum equal to
- (A) the amount to which he would have become entitled in that winding up, had he been the holder of the Ordinary Shares and/or Ordinary Non-Voting Shares to which he would have become entitled in respect of the Preference Shares specified in his notice; and
 - (B) all arrears or accruals of the Preference Dividend relating to the Preference Shares concerned (calculated up to and including the date of conversion and whether or not earned or declared) plus any dividend declared before the passing of the winding-up resolution or the making of the winding-up order, in respect of the Preference Shares to which his election relates.

- 6 18 The provisions of Articles 6 10 to 6 14 shall apply mutatis mutandis to any conversion pursuant to Article 6 16

Right to bonus issues etc

- 6 19 The provisions of Articles 6 20 apply for as long as the Preference Shares remain capable of being converted into Ordinary Shares or Ordinary Non-Voting Shares
- 6 20 If any bonus issue, rights issue, or other offer or invitation, is made by the Company (or on its behalf) to the holders of the Ordinary Shares or Ordinary Non-Voting Shares, the Company shall make (or so far as it is able, procure that there is made) a like issue, offer or invitation, at the same time, to each holder of Preference Shares, as if his conversion

rights had been exercisable, and exercised in full, on the record date for that offer or invitation

7. Conversion Price Adjustment, Downround And Similar Protections

- 7.1 If, while any Preference Shares remain capable of being converted into Ordinary Shares and/or Non-Voting Ordinary Shares under Article 6, the share capital of the Company is altered due to sub-division, consolidation, an issue of New Securities or otherwise, the conversion rate under Article 6.2 or 6.5 (as last adjusted under these Articles, if relevant) shall be appropriately adjusted by the Board to take account of that alteration
- 7.2 If, while any Preference Shares remain capable of being converted into Ordinary Shares and/or Ordinary Non-Voting Shares under Article 6, there is an allotment of fully paid equity share capital by way of capitalisation of profits or reserves (including without limitation share premium account or capital redemption reserve) where no equivalent allotment is made to the holders of the Preference Shares on an as if fully converted basis then except to the extent that a related compensatory share issue is made to the holders of Preference Shares as provided in Article 7.3, the number of the Ordinary Shares and/or Non-Voting Ordinary Shares to arise on conversion of Preference Shares shall be appropriately increased to reflect the resulting percentage increase in the Ordinary Shares and/or Ordinary Non-Voting Shares in issue
- 7.3 If after the Date of Adoption the Company proceeds with a New Securities Series A and issues or enters into a legally binding commitment to issue any New Securities at an Issue Price which is less than the applicable Conversion Price (as last adjusted under this Article) (the "**Lower Issue Price**") then, at the option of each holder of Preference Shares
- (A) the Company shall offer (such offer, unless waived in writing by any holder as regards his own holding, to remain open for acceptance for not less than 28 days) to the holders of the Preference Shares either (i) the right to subscribe in cash for such number of new Preference Shares at par, or (ii) at the option of each of such holders, the right to have issued to them by way of bonus capitalisation issue such number of new Preference Shares, so as to result in that holder having paid in subscribing for its entire holding of Preference Shares as so enlarged, on average, a price per share equal to the Lower Issue Price less 20%, or
 - (B) that Conversion Price shall be adjusted and reduced, concurrently with the issue of the New Securities issued in the New Securities Series A round, to the lowest Issue Price paid for such New Securities less 20% as part of said New Securities Series A round

For these purposes due regard shall be had to the overall amount paid by a subscriber of New Securities of the Company or a member of the Group also subscribed by him under the same arrangements, to the intent that the effective Issue Price of the New Securities fairly reflects the overall amount subscribed for them and the other securities. Furthermore, for the avoidance of doubt, this potential for Conversion Price adjustment

shall be applicable solely to the New Securities Series A and not for New Securities Future Series

If after the Date of Adoption the Company proceeds with a New Securities Future Series and issues or enters into a legally binding commitment to issue any New Securities at an Issue Price which is less than the Conversion Price, whatever anti-dilution offer is offered by the Company to the Founder and to the holders of the Investor Shares must be identical and with the intent of treating them equally

- 7.4 If during the period of three years from the Date of Adoption the Company issues or enters into a legally binding commitment to issue any New Shares on terms more favourable (including but not limited to enhanced rights or additional protective provisions for a shareholder but excluding at a lower subscription price, as regards which Articles 7.2 and/or 7.3 shall apply) than those attaching to the Preference Shares then, each holder of Preference Shares shall have the right (exercisable in notice in writing to the Company within thirty days of the issue of any such New Securities) and to take effect immediately before the issue of the New Securities, to require that either
- (A) any or all of the Preference Shares held by him shall be converted into and re-designated as New Securities at the rate of one New Security for every Preference Shares so converted and re-designated (and the date on which such conversion takes place shall be a Conversion Date), or
 - (B) the articles of association of the Company shall be deemed to have been amended so that the rights attaching to the Preference Shares held by him shall include any rights attaching to the New Securities which are preferential or in addition to the rights attaching to the Preference Shares
- 7.5 Given the rights of the holders of Preference Shares under Article 7.4, no New Securities shall be issued with a nominal value per share different from that of the Preference Shares, without the written consent of the holders of Preference Shares
- 7.6 Each holder converting Preference Shares into New Securities pursuant to Article 7.4(A) shall be entitled, as a condition of conversion and re-designation (such condition to be capable of waiver by the holder) to all arrears and accruals of Preference Dividend (whether or not earned or declared) and any interest thereon up to and including the Conversion Date (the "Unpaid Balance") and where such Unpaid Balance shall be applied to the New Securities and shall continue to accrue thereafter, in line with the terms of the New Securities
- 7.7 The New Securities arising on any such conversion and re-designation shall rank pari passu with the New Securities then in issue or to be issued and shall entitle the holders of the New Securities arising on conversion to all dividends and other distributions declared, made or paid on the New Securities by reference to any record date occurring after the Conversion Date
- 7.8 On a Conversion Date each such holder shall deliver to the Company at the Registered Office the certificates for his Preference Shares so converting (or an indemnity in such

form as the Board may require if it is not available) and upon such delivery there shall be issued to him a certificate for the number of New Shares resulting from the conversion and re-designation

7 9 The provisions of this Article shall be reapplied (where applicable) on each issue of New Securities at a Lower Issue Price or on terms more favourable than those attaching at that time to the Preference Shares

7 10 Each member shall promptly after request pass such resolutions and provide such consents as shall be reasonably required by the holders of the Preference Shares and/or the Company to give effect to this Article 7

8. Repayment of Capital

8 1 The Preference Shares shall on a winding up or any other repayment of capital entitle the holders to have assets of the Company available for distribution among the members applied, in priority to any other class of shares, in paying to them *pari passu*

(A) the capital paid on such Preference Shares,

(B) the sum equal to all arrears and accruals of Preference Dividend (whether earned or declared or not) calculated down to the date of repayment of capital

(together the "**Preferential Amount**")

Following payment in full of the Preferential Amount, any remaining assets of the Company shall be distributed between the holders of the Ordinary Shares and Ordinary Non-Voting Shares (including the holders of Preference Shares, on the basis of such number of Ordinary and/or Ordinary Non-Voting Shares that would be held by them in the conversions pursuant to Article 6 had occurred) *pro rata* to the number of Ordinary Shares and Ordinary Non-Voting Shares respectively held by them (or which would be held by them)

9. Conversion of Ordinary Non-Voting Shares

9 1 On the date of the first to occur of an IPO or Qualifying Liquidating Event in relation to the Company (the "**Conversion Date**") the Ordinary Non-Voting Shares shall be converted into Ordinary Shares and each holder of Ordinary Non-Voting Shares shall be entitled to the same number of Ordinary Shares he held before the Conversion Date of Ordinary Non-Voting Shares

9 2 The Ordinary Shares arising on conversion referred to in Article 9 1 shall rank *pari passu* in all respects with the fully paid up Ordinary Shares then in issue and shall entitle the holders to all dividends declared made or paid on the Ordinary Shares on or after the Conversion Date

9 3 Upon the Conversion Date each holder of Ordinary Non-Voting Shares shall deliver the certificate(s) for his shares to the Company at its Registered Office and thereupon shall

be issued with a certificate for the number of Ordinary Shares resulting from the conversion referred to in Article 9.1

10. Votes in General Meeting

- 10.1 The Ordinary Shares shall confer on each holder thereof (in their capacity as such) the right to receive notice of, and to attend, to speak and to vote at all general meetings of the Company
- 10.2 The Ordinary Non-Voting Shares shall confer on each holder thereof (in their capacity as such) the right to receive notice of, and to attend, and to speak at but not to vote at all general meetings of the Company
- 10.3 The Preference Shares shall confer on each holder thereof (in their capacity as such) the right to receive notice of, and to attend and speak at all general meetings of the Company and
 - (A) in respect of Preference Shares convertible, into Ordinary Shares in accordance with Article 6, the holder of such Preference Shares (in his capacity as such) shall be entitled to vote at such meetings on the basis of one vote for each Ordinary Share that would be held by him if the conversion in Article 6 had already taken place, and
 - (B) in respect of Preference Shares convertible into Ordinary Non-Voting Shares in accordance with Article 6, the holder of such Preference Shares (in his capacity as such) shall not be entitled to vote at such meeting
- 10.4 On a show of hands each holder of Ordinary Shares (and each person who would be the holder of Ordinary Shares if the conversion in Article 4 had already taken place) who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Ordinary Share held by him (and/or each Ordinary Share which would be held by him if the conversion in Article 4 had already taken place)

11. Class Consents: Investor Shares

- 11.1 Prior written consent of no less than one of the W Director or T Director (it being understood that if any Investor relinquishes its Investor Shares and receives, instead, a Convertible Loan Note pursuant to the terms of the Investment/Shareholders Agreement, the Board may disregard the below restrictions for so long as there are no remaining X or T Directors and where there is one remaining T or W Director, such remaining person's affirmative vote shall still be required) shall be required before the Company or any other member of the Group shall:
 - (A) alter the issued share capital or create (by reclassification or otherwise) any new class or series of securities in the capital of the Company unless such new

securities are deemed to be subordinate to the rights, preferences and privileges of the Preference Shares,

- (B) alter, amend or repeal any rights, preferences or privileges of the Preference Shares,
- (C) enter into a voluntary dissolution, winding-up or reorganisation (except where such withholding of consent by either the T Director or the W Director would be in violation of the fiduciary duties of the Board or where the Company has received an opinion from the Company's primary external legal counsel advising in favour of such a measure),
- (D) appoint more than five directors to the Board,
- (E) enter into any agreement, directly or indirectly, with any officer, employee, shareholder or director of the Company or their respective Affiliates or Associates, other than employment agreements, compensation arrangements, stock options or other service related transactions as are approved by the Board (including, for the avoidance of doubt the VW Side Agreement and any related, connected or resulting agreements);
- (F) grant any guarantee or indemnity or incur of any borrowings,
- (G) commence, conduct or settle any litigation material to the Company, except for the collection of debts arising in the ordinary course of its day-to-day trading 'Material' shall be defined as litigation in which a claim by or against the Company shall EITHER (A) bear reasonably anticipated costs to the Company of no less than the higher of (i) £75,000 and (ii) 10% of the Company's net assets OR (B) be reasonably expected to result in benefits or losses (after coverage by insurance) in excess of (iii) 10% of the Company's net assets or (iv) £250,000,
- (H) appoint an investment bank to advise the Company on a possible initial public offering of the Company's shares on a recognised stock exchange ("IPO") and/or the final approval of the IPO itself For the avoidance of doubt, though, this provision shall not apply in the circumstance where the mandate to an investment bank is restricted to the provision of preliminary and exploratory advice (such as a Strategic Review) and where no actual procedural steps are being taken,
- (I) make an acquisition of a business or the acquisition of an asset unless such acquisition of a business or asset is expressly incorporated in the then approved Business Plan,
- (J) make any investment unless expressly approved in the Business Plan,
- (K) obtain any debt in any form, whether senior, subordinated, mezzanine or otherwise (it being understood that the possible Convertible Loan Notes issuable to the Investors under certain circumstances are not inclusive in this restriction),

- (L) materially change the nature of the Company's business,
- (M) incorporate any subsidiary or increase its investment in any such subsidiary or any Associate,
- (N) approve any Business Plan,
- (O) make any material change to any budget for the operation of the Company's Business Plan and where 'material' shall mean a change in costs equal to at least five percent (5%),
- (P) incur any expenditure not already within a Business Plan on any one item or series of connected items exceeding £45,000 in total except that if, at the start of a new financial year there is no Business Plan and a valid annual budget, if any, has not been approved, the Company may continue to incur expenditure at the levels of the previous year pending approval of the budget,
- (Q) subject to Article 11 2, hire or remove, or attempt to remove, a key person from their office as an officer of the Company. For the purpose hereof, a 'key person' shall be the chief executive, president, managing director, chief financial officer or finance director,
- (R) make any change to the service agreements or engagement letters of any of the key persons referenced above,
- (S) make any severance pay or bonus (or issue any type of incentive or compensation which involves non-cash items (including, without limitation, the issue of Shares, except as already disclosed in clause 3 2(b)) unless required pursuant to the terms of an agreement already approved pursuant to (R) above,
- (T) declare or pay any dividend (interim or final) or make any other distribution on any class of share,
- (U) take any action listed in (a) to (t) above in relation to any member of the Group, or
- (V) approve a Continuation Vote or a Change of Business Vote

11 2 Prior written consent of both the W Director and T Director (it being understood that if any Investor relinquishes its Investor Shares and receives, instead, a Convertible Loan Note pursuant to the terms of the Investment/Shareholders Agreement, the Board may disregard the below restrictions for so long as there are no remaining X or T Directors and where there is one remaining T or W Director, such remaining person's affirmative vote shall still be required) shall be required before (i) the Company approves a Partial Milestone Vote or the establishment, creation, variation, modification or abrogation of the Milestones themselves, and (ii) the amendment or repeal of any provision of, or addition of any provision to, the memorandum and Articles but only insofar as such amendment, repeal or addition adversely affects the rights of the holders of the

Preference Shares, and (iii) for so long as the T Shareholders and the W Shareholders each hold at least ten per cent (10.0%) of the Total Allotment, the identity and selection of the Company's chief executive ("CE Approval Right") (it being understood that if either of the T or the W Shareholders hold less than ten per cent (10.0%) of the Total Allotment, then the consent of the Investor Director nominated by said shareholder shall no longer be required) Notwithstanding the foregoing, the CE Approval Right shall terminate and shall no longer be required (and Article 11.1(Q) shall instead apply) on that date which is 180 days after the effective date of the first written agreement between the Company and its initial chief executive For the avoidance of doubt, any amendment to or repeal of Article 11, Article 12, Article 13.3 or Article 28.1 shall be deemed to adversely affect the rights of the holders of the Preference Shares

- 11.3 Anything done (whether by the Company or any member of the Group or otherwise) without the necessary consent required under Article 11.1 or Article 11.2 or in breach of the terms and conditions of any such consent shall be deemed to be a breach of the class rights of the C Shares and of the T Shares
- 11.1 Each member shall exercise his or its rights in that capacity or otherwise available to him to ensure (so far as he or it can through such exercise) that the provisions of this Article 11 are complied with For the avoidance of doubt, if any matter is brought before the Board and is requiring of a vote pursuant to Articles 11.1 or 11.2, and if either of the X Shareholder or T Shareholder have not nominated a W Director or a T Director at such time, the vote shall proceed nevertheless and the vote shall be made on the basis of the then validly nominated directors only In the case of Article 11.2, if there is only one Investor Director at the time of the vote, then only that one Investor Director's vote shall be necessary for the vote to meet the criteria set out therein In the case that there is neither a T Director nor a W Director, then the vote shall be made without regard to the requirements of Articles 11.2 or 11.3

12. Variation of Rights

- 12.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied, modified or cancelled or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) either (i) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class, or (ii) with the sanction of a special resolution passed at a separate general meeting of the holders of that class
- 12.2 For the purposes of this Article 12, the W Shares, the C Shares and the T Shares shall be treated as the same class of shares and shall vote on the variation of rights as a single class.
- 12.3 The provisions of these Articles relating to general meetings shall apply to every separate class meeting referred to in Article 12.1, but the necessary quorum shall be two persons holding or representing by proxy or corporate representative at least a majority in nominal value of the issued shares of that class and any holder of shares of the class present in person or by proxy may demand a poll and on a poll each share concerned

shall carry one vote PROVIDED THAT where there is only one holder of the issued shares of the relevant class a quorum shall be that holder alone present or by proxy or corporate representative

13. Allotment of New Shares or Other Securities: Pre-Emption

13.1 Subject to the remaining provisions of this Article 13, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to

- (A) offer, allot or grant rights to subscribe for,
- (B) convert securities into, or
- (C) otherwise deal in, or dispose of,

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that (i) this authority shall only apply insofar as the Company in general meeting has not renewed, waived or revoked it, and (ii) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority (and the Directors may allot relevant securities in pursuance of an offer or agreement as if such authority had not expired)

13.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company

13.3 Unless otherwise agreed by special resolution passed in general meeting or as a written resolution passed in accordance with part 13 of the Act and with the valid authority of the Board (inclusive of the consent of both the T Director and the W Director), if the Company proposes to allot any New Securities such New Securities (and where such New Securities are not being allotted or issued to a person pursuant to the terms of any then existing Share Option Plan) shall not be allotted to any person unless the Company has, in the first instance offered such New Securities of any class to all holders of Ordinary Shares and Preference Shares on the same terms and at the same price as such New Securities are being offered to such other persons on a pari passu and pro rata basis to the number of Ordinary Shares and Ordinary Non-Voting Shares held by such holders or would be held by him if the conversion in Article 6 had already taken place (as nearly as may be without involving fractions) Such offer

- (A) shall be in writing, give details of the number and subscription price of the New Securities, and
- (B) may stipulate that any member who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("Excess Securities") for which they wish to subscribe

- 13 4 Any New Securities not accepted by holders of Ordinary Shares and Preference Shares pursuant to the offer made to them in accordance with Article 13 3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 13 3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants or would be held by him if the conversion in Article 6 had already taken place on a pro rata basis to the number of Ordinary Shares and Ordinary Non-Voting Shares held by such applicants immediately prior to the offer made to holders of Shares in accordance with Article 13 3 (as nearly as may be without involving fractions or increasing the number allotted to any member beyond that applied for by him) and thereafter, any Excess Securities remaining shall be offered, subject to Article 13 5, to any other person as the Directors may determine at the same price and on the same terms as the offer to the holders of Shares of that class
- 13 5 Subject to Articles 13 3 and 13 4 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that
- (A) no New Securities to which the foregoing provisions of this Article 13 applies shall be issued more than three months after the expiry of the period for acceptance of the last offer of such New Securities unless the procedure set out in Articles 13 3 and 13 4 is repeated in respect of such New Securities (and so that the time limit set out in this Article 13 5 shall apply equally to any repetition of that procedure), and
 - (B) no New Securities shall be issued to a third party at a price (or equivalent consideration) less than that at which they were offered to the holders of Shares of a particular class in accordance with the foregoing provisions of this Article 13. Accordingly, if the Directors are proposing to issue such New Securities wholly or partly for non-cash consideration, the non-cash value of such consideration for the purposes of this Article 13.5 (B) shall be as determined by the Auditors who shall act as experts and not as arbitrators and whose determination, in the absence of manifest error, shall be final and binding on the Company and each of its members. The costs of the Auditors shall be borne by the Company
- 13 6 The foregoing provisions of this Article 13 shall not apply to New Securities issued or granted in order for the Company to comply with its express obligations under the Shareholders' Agreement or these Articles (including for the purposes of giving effect to the conversion rights of the Preference Shares) or in the case of any New Securities issued pursuant to an approved Share Option Plan

14. Lien

The Company shall have a first and paramount lien on every Share (not fully paid) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not such indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable

15. Transfers of Shares – General

- 15.1 In Articles 15 to 21 (inclusive), reference to the transfer of a Share includes the transfer, assignment or other disposition of a legal, beneficial or other interest in that Share (whether directly or indirectly, including the transfer, assignment or other disposition of a legal, beneficial or other interest in any holder of a Share) or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 15.2 No Share may be transferred unless the transfer is made in accordance with these Articles
- 15.3 Any transfer or purported transfer of any Share or of any interest in a Share made otherwise than in accordance with these Articles shall be void and of no effect whatsoever. In addition the Directors shall be at liberty by notice in writing to the registered holders thereof to disenfranchise any shares which are the subject of a transfer not made in accordance with these Articles until such time as the Directors (acting reasonably) are satisfied that the provisions of these Articles relating to transfer of shares have been complied with
- 15.4 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 15.5 The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid Share) the transferee, and the transferor shall be deemed to remain the holder of the Share concerned until the name of the transferee is entered in the Company's register of members in respect of it
- 15.6 No fee shall be charged by the Company for registering any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the Company's register of members
- 15.7 Any transfer of a Share by way of sale which is required to be made under Articles 16, 19 and 21 will be deemed (unless otherwise agreed in writing with the transferee) to include a warranty that the transferor has the full power, capacity and authority to make the sale or transfer and that the Shares concerned are sold or transferred with full title guarantee and free from all charges, liens and encumbrances
- 15.8 The Directors may refuse to register a transfer if it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind
- 15.9 The Directors may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed

transferor under any such agreement or other document) and if any such condition is imposed the transfer may not be registered unless such deed has been executed and delivered by the transferee

15 10 To enable the Directors to determine whether or not there has been any disposal of Shares (or any interest therein) in breach of these Articles, the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the Directors may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they deem relevant to such purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name. Failing such information or evidence being furnished to enable the Directors to determine to their reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Directors are reasonably satisfied that such breach has occurred, the Directors shall forthwith notify the holder of such Shares in writing of that fact whereupon

(A) the Shares concerned shall cease to confer upon the holder thereof (including any proxy appointed by the holder) any rights

(1) 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

(2) to receive dividends or other distributions otherwise attaching to such Shares or to any further Shares issued in respect of such Shares or in pursuance of an offer made to the relevant holder, and

(B) the holder may be required at any time following such notice to transfer some or all of its Shares to such person(s) at such price as the Directors may require by notice in writing to such holder

The rights referred to in Article 15 10(A) may be reinstated by the Board or, if earlier, shall be reinstated upon the completion of any transfer referred to in Article 15 10

15 11 If the Directors shall in accordance with these Articles have required a Transfer Notice to be given and it is not given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on any date after the expiration of such period as the Directors may notify to the holder and these Articles shall take effect accordingly

16. Permitted Transfers

16 1 Subject to Article 15 a Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise and the Directors shall not refuse to register any transfer of Shares by any Shareholder to any of its Permitted Transferees

- 16.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Shares to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 16.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 16.3 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than 15 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder without restriction as to price or otherwise.
- 16.4 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either
- (A) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
 - (B) give a Transfer Notice to the Company in accordance with 12.2;
- failing which he shall be deemed to have given a Transfer Notice.
- 16.5 On the death (subject to Article 16.2), bankruptcy or liquidation of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy or its liquidator must within 15 Business Days after the date of the grant of probate, the making of the bankruptcy order or the passing of a resolution or making of an order for winding up, execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living or otherwise in existence (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 5 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator will be deemed to have given a Transfer Notice.
- 17. Transfers of Shares subject to pre-emption rights**
- 17.1 Save where the provisions of Articles 16, 19 and 21 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 17.
- 17.2 An Existing Shareholder (and/or its Permitted Transferees) who wishes to transfer Shares otherwise than as permitted under Article 12 (a "Seller") shall before transferring or

agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying

- (A) the number of Shares which he wishes to transfer (the "**Sale Shares**"),
- (B) if he wishes to sell the Sale Shares to a third party the name of the proposed transferee, and
- (C) the price (in cash) per share at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of each Sale Share if no cash price is specified) (the "**Transfer Price**").

17.3 No Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

17.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price per Sale Share

17.5 As soon as practicable following the later of

- (A) receipt of a Transfer Notice; and
- (B) in the case where the Transfer Price has not been specified or such Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 18,

the Board shall offer the Sale Shares for sale to the Holders (as that expression is defined in Article 17.6) in the manner set out in Articles 17.6 and 17.7. Each offer must be in writing and give details of the number of the Sale Shares and the Transfer Price per Sale Share offered

Transfers Offer

17.6 The Board shall offer the Sale Shares to holders of Shares pro rata to the number of Shares of all classes of Share held (the "**Holders**") and on the basis that all conversion rights have been exercised (whether or not that be the case) inviting them to apply in writing within the period from the date of the offer to the date 30 days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares it wishes to buy

17.7 If, at the end of the Offer Period, the number of Sale Shares applied for by the Holders is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Holders in accordance with the applications received and the balance will be dealt with in accordance with Article 17.11

Completion of transfer of Sale Shares

- 17 8 The Board shall give written notice of allocation (an "Allocation Notice") to the Seller and the Holders specifying the number of Sale Shares allocated to the Holders and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares
- 17 9 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price per Sale Share, transfer the Sale Shares in accordance with the requirements specified in it
- 17 10 If the Seller fails to comply with the provisions of Article 17 9
- (A) the chairman of the Company or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller
 - (1) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Holders (or its nominee);
 - (2) receive the Transfer Price per Sale Share and give a good discharge for it, and
 - (3) (subject to the transfer being duly stamped) enter the Holders (or its nominee) in the register of members as the holders of the Shares purchased, and
 - (B) the Company shall pay the Transfer Price per Sale Share into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)
- 17 11 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 17 12, the Seller may, within 30 days after service of the Allocation Notice, transfer the unsold Sale Shares to any person at a price at least equal to the Transfer Price per Sale Share After expiry of such 30 day period, no Share may be sold by the Seller without the issue of a further Transfer Notice in accordance with this Article 17
- 17 12 The right of the Seller to transfer Shares under Article 17 11 does not apply if the Board is of the opinion on reasonable grounds that
- (A) the transferee is a person (or a nominee for a person) who the Board determines is a competitor with (or an Associate or Affiliate of a competitor with) the business of the Company or with a member of the Group,
 - (B) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

- (C) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

18. Valuation of Shares

- 18.1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either
 - (A) appoint expert valuers in accordance with Article 18.2 (the "**Expert Valuers**") to certify the Fair Value of the Sale Shares, or
 - (B) if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice
- 18.2 The Expert Valuers will be an independent investment bank corporate financial advisor in either case being an expert in the act of appraising and valuing assets of a comparable nature to those held by the Company and within the same industry sector to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party.
- 18.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer (and the Fair Value of a Sale Share shall be the Fair Value of the Sale Shares divided by the number of Sale Shares) and shall be determined on the following assumptions and bases
 - (A) valuing the Shares as on an arm's -length sale between a willing seller and a willing buyer and without regard as to whether or not the sale is deemed a distressed sale or with the requirement of urgency,
 - (B) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (C) that the Shares are capable of being transferred without restriction,
 - (D) valuing the Sale Shares as a rateable proportion of the total value of all the issued Ordinary Shares without any premium or discount being attributable to the percentage of the issued Ordinary Shares which they represent,
 - (E) if there are still Preference Shares in issue, their value shall be their Fair Value, and

- (F) reflect any other factors which the Expert Valuers reasonably believe should be taken into account
- 18.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in such manner as they shall in their absolute discretion think fit
- 18.5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and notify the Board of their determination. The fees of the Expert Valuers shall be borne by the Company and the Seller equally
 - (A) The Expert Valuers shall act as an expert and not as an arbitrator and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
 - (B) The Expert Valuers may have access to all accounting records or other relevant documents of the Company, subject to any confidentiality provisions

19. Compulsory transfers

- 19.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of such share at such time as determined by the Directors
- 19.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of such deceased Shareholder either
 - (A) to effect a Permitted Transfer of such Shares (including for such purpose an election to be registered in respect thereof), or
 - (B) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder

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

- 19.3 Subject as permitted pursuant to Article 16.5, if a Shareholder which is a company or a Permitted Transferee of such Shareholder, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, such member or Permitted Transferee shall be deemed to have given a Transfer Notice in respect of all the shares held by such Shareholder and/or such Permitted Transferee save to the extent that, and at such time as, the Directors may determine
- 19.4 The Board may from time to time require any Shareholder or past Shareholder or the personal representatives or trustee in bankruptcy, receiver or liquidator of any

Shareholder or any person named as transferee in any instrument of transfer lodged for registration, to provide to the Company such information as the Board reasonably thinks fit regarding any matter which they consider relevant for the purpose of ensuring that a transfer of Shares is duly authorised under these Articles or that no circumstances have arisen by reason of which a Transfer Notice may be required to be given. If such information is not provided to the reasonable satisfaction of the Board within a reasonable time after request, the Board shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the Shares concerned or where a Transfer Notice ought to have been given in respect of any Shares the Board may by notice in writing require that the Transfer Notice be given in respect of the Shares concerned. Any Transfer Notice required to be given under this Article shall not specify a price per Share and shall not be capable of revocation.

19.5 In any case where the Board may require a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 15 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

(A) the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 346 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares, and

(B) the Seller wishes to transfer all of the Shares held by it

20. Tag Along

20.1 No sale or transfer by the Founder (whether by one or a series of transfers within a 24 month period) of any Ordinary Shares which would transfer no less than fifteen percent (15%) of the Company's fully enlarged and post-conversion share capital ("**Specified Shares**") may be made or registered without the prior consent of the other Shareholders, unless before this sale or transfer is made, the proposed transferee has irrevocably and unconditionally offered to buy a proportionate number of the other Shareholders' Shares at the Specified Price (as defined in Article 20.2) on exactly the same terms as have been offered for the Specified Shares.

20.2 The "**Specified Price**" means the consideration for each of the other Shareholders' Shares at least equal to the total amount offered or paid or payable by the proposed transferee for each of the Specified Shares.

20.3 For the purposes of Article 20.2 the consideration payable for the Specified Shares will include any amount received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded

as an addition to the price paid or payable for each of the Specified Shares. If there is any disagreement as to the Specified Price the calculation will be referred to an Expert Valuer within seven days of the dispute arising. The Expert Valuer's decision as to the Specified Price will be final and binding. The Shareholders will give all reasonable assistance to the Expert Valuer in verifying the Specified Price including the disclosure of all relevant documentation containing the terms of the transaction between the Shareholder wishing to sell the Specified Shares and the proposed buyer.

21. Drag-Along

- 21.1 Subject to clause 21.12, if the holders of 50 per cent of the Ordinary Shares Acting in Concert (the "**Dragging Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser for all of the Shares (the "**Proposed Transfer**"), the Dragging Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.
- 21.2 The Dragging Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred and the proposed date of transfer.
- 21.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Dragging Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Dragging Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 21.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be at least equal to the Specified Price (as defined in Article 21.11).
- 21.5 No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this Article and Article 15.7.
- 21.6 Within five Business Days of the Dragging Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares, together with the relevant share certificate(s) (or an indemnity in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company. The Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 21.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to

the Called Shareholders pursuant to Article 21.4 in trust for the Called Shareholders without any obligation to pay interest

- 21.7 To the extent that the Proposed Purchaser has not, prior to the sale and transfer of all of the Sellers' Shares, put the Company in funds to pay the price due pursuant to Article 21.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 21 in respect of their Shares
- 21.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for their Shares to the Company upon the expiration of such five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer such Called Shareholder's Shares on such Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has put the Company in funds to pay the price for such Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate (or suitable indemnity) for his Shares to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 21.4
- 21.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 17
- 21.10 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice, who shall thereupon be bound to sell and transfer all such Shares acquired by them to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply mutatis mutandis to the New Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member
- 21.11 For the purpose of this Article 21
- (A) the expression "**Specified Price**" shall mean in respect of each Ordinary Share a sum in cash per Ordinary Share equal to the highest price per Ordinary Share offered or paid by the Proposed Purchaser
- (1) in connection with the relevant Proposed Transfer, or
- (2) any related or previous transaction by the Proposed Purchaser in the 12 months preceding the date of the relevant Proposed Transfer,

plus an amount equal to any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable per share

- 21 12 No Called Shareholder shall be obliged to sell his Called Shares under the provisions of this Article 21 if the Specified Price shall be less than the aggregate of the subscription price for each Preference Share plus an IRR of 25% or more

22. General Meetings: Convening and Quorum

- 22 1 All general meetings of the Company shall

- (A) be held within the United Kingdom or in such other jurisdiction as may be set by the Company's Board (Switzerland and Italy being pre-approved alternatives), but without prejudice to Article 22 7, and
- (B) not be convened on shorter notice than the minimum notice required by the Act and in any case not be convened on less than 5 Business Days' prior written notice

- 22 2 Without limiting any other powers of the Board or any of the members to convene or require the convening of a general meeting, a general meeting may be convened by, or a proposed written shareholder resolution may be circulated by, an Investor Director in the same way as if it is to be convened or circulated by the Board and with the its authority The Company shall be provided with a copy of the notice convening the meeting or of that proposed written resolution at the same time as it is sent to the members entitled to receive the same

- 22 3 No business (other than the appointment of the chairman) shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and at all times throughout the meeting

- 22 4 If within thirty minutes (or such longer time as the chairman of the meeting may agree) of the time appointed for a general meeting, a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall be adjourned to such other day and at such other time and place as the chairman (or in default, the Board) may decide provided that not less than 5 Business Days' notice in writing is given of the adjourned meeting to all persons entitled to attend it

- 22 5 Two members present in person or by proxy (or, being a corporation, by representative) shall be a quorum provided that.

- (A) one of those members must be a holder of Investor Shares present in person or by proxy or corporate representative but only if in regard to a newly convened general meeting and the first adjourned meeting, if applicable,

- (B) if and for so long as, the Company has only one member, that member present in person or by proxy shall be a quorum at any general meeting of the Company or of the holders of any class of shares, and
 - (C) if he is the only person present, a member (or his proxy or corporate representative) may only be counted in the quorum once, notwithstanding that he may also be acting as a proxy or corporate representative for another member or members
- 22.6 A person (whether being a shareholder or his proxy or corporate representative) may attend and shall be treated as being in attendance at a general meeting if (even though he is not in the same place as other attendees) he is in a position (where he is entitled to speak at the meeting) to communicate to all those attending the meeting any information or opinions he has on the business of the meeting and (being entitled to vote at the meeting) he is able to vote, during the meeting, on the resolutions put to the meeting and his vote can be taken into account, in determining whether or not such resolutions are passed, at the same time as the votes of the other persons attending the meeting
- 22.7 The chairman (if any) of the Board shall preside as chairman at every general meeting. If there is no chairman, or if at any meeting the chairman is not present within five minutes after the time appointed for the commencement of the meeting, or if the chairman is not willing to act as chairman, the directors present shall by a majority in number choose one of their number to act, or if one director only is present he shall preside as chairman if willing to act. If no director is present, or if each of the directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be chairman.
- 22.8 Each director shall be entitled to attend and speak at any general meeting of the Company, whether or not he is a shareholder. The chairman or any director may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.
- 22.9 The chairman may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by such a meeting) adjourn the meeting either sine die or to another time or place. When a meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the Board.
- 22.10 No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.
- 22.11 When a meeting is adjourned for one month or more, or sine die, at least three days notice of the adjourned meeting shall be given specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted. Except where these Articles otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

23. General Meetings: Proceedings

- 23 1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman or by any member entitled to vote who is present in person or by proxy. On a show of hands or poll votes may be given either personally or by corporate representative or by proxy.
- 23 2 Unless a poll is demanded as provided in Article 23 1, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 23 3 If a poll is properly demanded it shall be taken in such manner as the chairman shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll shall be taken forthwith after it has been properly demanded. A demand for a poll may be withdrawn. A member entitled to more than one vote need not, if he votes, use all his votes or cast all of the votes in the same way.
- 23 4 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Company's register of members in respect of the joint holding.
- 23 5 A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in those circumstances to do so on his behalf (and that person may vote on a poll by proxy), provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote or such other right has been delivered at the Registered Office (or at such other place as may be specified in accordance with these Articles for the delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at that meeting or on the holding of that poll.
- 23 6 If any objection shall be raised to the qualification of any voter, or any votes have been counted which ought not to have been counted or which might have been rejected, or any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs.

24. Proxies and Corporate Representatives

- 24 1 The appointment of a proxy shall be in any usual form or in any other form which the Board may approve and, in the case of an instrument in writing, shall be executed by or on behalf of the appointor. In the case of an instrument in writing, a corporation may execute a form of proxy either under its common seal (or in any other manner permitted by law and having the same effect as if executed under seal) or under the hand of a duly authorised officer, attorney or other person. A member may appoint more than one proxy to attend on the same occasion, but only one proxy may be appointed in respect of any one share. The appointment of a proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. A form of proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting to which it relates.
- 24 2 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may
- (A) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,
 - (B) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the Secretary or to any Director, or
 - (C) in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the Secretary or to any Director or scrutineer,
 - (D) and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
- 24 3 When two or more valid but differing appointments of proxy are delivered or received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered or received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
- 24 4 An appointment of proxy shall be deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote, on a poll, on a resolution or a motion or an amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given or any adjournment of any such meeting, as the proxy thinks fit. The appointment shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

24 5 A body corporate which is a member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The body corporate shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it. All references in these Articles to attendance and voting in person shall be construed accordingly. A Director, the Secretary or some other person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to such person before permitting him to exercise his powers.

24 6 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was received by the Company at the Registered Office, or at such other place at which the instrument of proxy was duly deposited, or, where the appointment of proxy was contained in an electronic communication, at the address at which that appointment was duly received, at least one hour before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) at least one hour before the time appointed for taking the poll.

25. Directors' borrowing powers

Subject as otherwise provided in these Articles, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

26. Alternate directors

26 1 Any Director (other than an alternate director) (the "**Appointor**") may appoint as an alternate any other Director, or any other person, to

(A) exercise that Director's powers, and

(B) carry out that Director's responsibilities,

and, at any time, may terminate such appointment.

26 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, and only takes effect on the receipt of the notice at the Company's Registered Office.

- 26.3 The notice must
- (A) identify the proposed alternate, and
 - (B) 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
- 26.4 The appointment of an alternate Director does not prejudice the right of the Appointor to receive notices of, and to attend and vote at, Directors' meetings
- 26.5 An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his Appointor is a member and to attend and to vote as a Director at any such meeting at which his Appointor is not personally present
- 26.6 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his Appointor shall cease for any reason to be a Director
- 26.7 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present
- 26.8 The appointment of an alternate Director shall be subject to the same terms and conditions applicable to the Appointor, and any alternate Director shall be deemed to be bound by the same confidentiality provisions as the Appointor
- 27. Number of Directors**
- Unless and until the Company by special resolution shall otherwise determine the number of Directors shall be not less than three and shall not be more than five
- 28. Appointment of Directors**
- 28.1 The holder of
- (A) the Founder Shares shall be entitled to nominate three people,
 - (B) the W Shares shall be entitled to nominate one person,
 - (C) the T Shares shall be entitled to nominate one person,

to act as a director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove any of these directors from office

- 28 2 The Founder and each of the Investors shall each be entitled to remove all or any of their nominated directors so appointed at any time by notice in writing to the Company served at its Registered Office and appoint another person(s) to act in his or their place
- 28 3 An appointment or removal of a Director under Article 22 2 or 22 3 will take effect at and from the time when the notice is received at the Registered Office or produced to a meeting of the directors of the Company
- 28 4 Each Investor Director shall be entitled to be a member of any committee of the Board and also to be appointed to the boards of such of the other members of the Group as he shall require
- 28 5 A Director need not hold any shares nor retire by rotation or by reason of having reached any particular age
- 28 6 It is the responsibility of a nominating shareholding to nominate its director or directors to the Board. In the event that a shareholder fails to nominate a director, the provisions of Article 11 shall continue to apply but only to the extent of the remaining directors and the lack of a W Director or a T Director shall not frustrate the Board from voting on matters or from passing resolutions

29. Disqualification of Directors

The office of a Director shall be vacated if, during the term of his appointment:

- (A) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director,
- (B) he becomes bankrupt or insolvent and the Board notifies him in writing that his office be vacated;
- (C) he is convicted of a criminal offence (other than a minor motoring offence) and the Board notifies him in writing that his office be vacated,
- (D) he is suffering from mental disorder which renders him unfit to discharge his duties and the Board notifies him in writing that his office be vacated; or
- (E) (not being precluded from so doing by the terms of any contract with the Company) he resigns the office of Director by notice in writing to the Company or he becomes required so to resign under the terms of any contract made between him and the Company or a member of the Group and he shall fail to do so when so required, or

- (F) in the case of an Investor Director, he or she is in breach of any agreement with the Company and to which he or she is party (and where such breach is uncured after the Investor Director has so been notified in writing and for a period of five Business Days thereafter) in such a circumstance, the Investor Director shall be removed from office as a result of a vote of the majority of the remaining members of the Board (provided always that a replacement Investor Director may be immediately appointed in accordance with Article 28 1), or
- (G) In the case of an Investor Director, if the respective nominating shareholder is no longer a holder of Investor Shares

30. Proceedings of Directors

- 30 1 Meetings of the board of Directors shall take place at least four times every year with a period of not more than 16 weeks between two meetings, and reasonable advance notice (being not fewer than 3 Business Days') shall be given to each Director (whether or not within the United Kingdom) (save with the consent of the Investor Directors when board meetings may take place less frequently and on less notice)
- 30 2 Any Director may by request to the Company, or by providing not less than 3 Business Days' notice to each other Director, call a meeting of the Board
- 30 3 To be quorate, any meeting of the Board must include no less than one W Director or one T Director. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as the directors may determine (provided that the Directors are given not less than 3 Business Days' notice). The quorum for any such adjourned meeting shall be any three (3) Directors
- 30 4 Any Director who participates in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting (whether in person or by alternate or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by alternate or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum. A meeting held by such means shall be deemed to take place where the largest group of participants in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting
- 30 5 Subject to the provisions of Article 30 8, questions arising at any meeting of the Directors shall be decided by a majority of votes. The Chairman of the meeting shall not have a casting vote
- 30 6 A resolution in writing signed by the requisite Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the

Directors, but need not be signed by an alternate director if signed by his Appointor or vice versa. For these purposes, the requisite Directors shall be all of the Directors entitled to vote on the resolution concerned.

- 30.7 All acts done by the Board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or committee or person so acting or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if each such member or person had been properly appointed and was qualified and had continued to be a director or member of the committee and had been entitled to vote.
- 30.8 On the following questions or matters arising from the Company or a Group member and being presented to the Board for vote, a majority vote shall be insufficient and, instead, a majority vote must also include the affirmative vote of either the W Director or the T Director (where such below referenced capitalised expressions shall have the meaning as prescribed in the Investment/Shareholder Agreement) (it being understood that if any Investor relinquishes its Investor Shares and receives, instead, a Convertible Loan Note pursuant to the terms of the Investment/Shareholders Agreement, the Board may disregard the below restrictions for so long as there are no remaining X or T Directors and where there is one remaining T or W Director, such remaining person's affirmative vote shall still be required):
- (A) amend or repeal any provision of, or add any provision to, the memorandum and Articles but only insofar as such amendment, repeal or addition adversely affects the rights of the holders of the Preference Shares
 - (B) alter the issued share capital or create (by reclassification or otherwise) any new class or series of securities in the capital of the Company unless such new securities are deemed to be subordinate to the rights, preferences and privileges of the Preference Shares,
 - (C) alter, amend or repeal any rights, preferences or privileges of the Preference Shares,
 - (D) enter into a voluntary dissolution, winding-up or reorganisation (except where such withholding of consent by either the T Director or the W Director would be in violation of the fiduciary duties of the Board or where the Company has received an opinion from the Company's primary external legal counsel advising in favour of such a measure),
 - (E) appoint more than five directors to the Board,
 - (F) enter into any agreement, directly or indirectly, with any officer, employee, shareholder or director of the Company or their respective Affiliates or Associates, other than employment agreements, compensation arrangements, stock options or other service related transactions as are approved by the Board

(including, for the avoidance of doubt the VW Side Agreement and any related, connected or resulting agreements);

- (G) grant any guarantee or indemnity or incur of any borrowings,
- (H) commence, conduct or settle any litigation material to the Company, except for the collection of debts arising in the ordinary course of its day-to-day trading 'Material' shall be defined as litigation in which a claim by or against the Company shall EITHER (A) bear reasonably anticipated costs to the Company of no less than the higher of (i) £75,000 and (ii) 10% of the Company's net assets OR (B) be reasonably expected to result in benefits or losses (after coverage by insurance) in excess of (iii) 10% of the Company's net assets or (iv) £250,000;
- (I) appoint an investment bank to advise the Company on a possible initial public offering of the Company's shares on a recognised stock exchange ("IPO") and/or the final approval of the IPO itself For the avoidance of doubt, though, this provision shall not apply in the circumstance where the mandate to an investment bank is restricted to the provision of preliminary and exploratory advice (such as a Strategic Review) and where no actual procedural steps are being taken,
- (J) make an acquisition of a business or the acquisition of an asset unless such acquisition of a business or asset is expressly incorporated in the then approved Business Plan;
- (K) make any investment unless expressly approved in the Business Plan,
- (L) obtain of any debt in any form, whether senior, subordinated, mezzanine or otherwise,
- (M) materially change the nature of the Company's business,
- (N) incorporate any subsidiary or increase its investment in any such subsidiary or any Associate;
- (O) approve any Business Plan;
- (P) make any material change to any budget for the operation of the Company's Business Plan and where 'material' shall mean a change in costs equal to at least five percent (5%),
- (Q) incur any expenditure not already within a Business Plan on any one item or series of connected items exceeding £45,000 in total except that if, at the start of a new financial year there is no Business Plan and a valid annual budget, if any, has not been approved, the Company may continue to incur expenditure at the levels of the previous year pending approval of the budget,
- (R) subject to Article 30 9, hire or remove, or attempt to remove, a key person from their office as an officer of the Company For the purpose hereof, a 'key person'

shall be the chief executive, president, managing director, chief financial officer or finance director,

- (S) make any change to the service agreements or engagement letters of any of the key persons referenced above,
- (T) make any severance pay or bonus (or issue any type of incentive or compensation which involves non-cash items (including, without limitation, the issue of Shares, except as already disclosed in clause 3 2(b));
- (U) declare or pay any dividend (interim or final) or make any other distribution on any class of share,
- (V) take any action listed in (a) to (t) above in relation to any member of the Group, or
- (W) approve a Continuation Vote or a Change of Business Vote

30 9 On the following questions or matters arising from the Company or from a Group Company and being presented to the Board for vote, a majority vote shall be insufficient and, instead, a majority vote must also include the affirmative vote of **both** the W Director **and** the T Director (where such below referenced capitalised expressions shall have the meaning as prescribed in the Company's Investment/Shareholder Agreement) (it being understood that if any Investor relinquishes its Investor Shares and receives, instead, a Convertible Loan Note pursuant to the terms of the Investment/Shareholders Agreement, the Board may disregard the below restrictions for so long as there are no remaining C or T Directors and where there is one remaining V **or** W Director, such remaining person's affirmative vote shall still be required) (i) the Company or any other member of the Group approves a Partial Milestone Vote or (ii) the establishment, creation, variation, modification or abrogation of the Milestones themselves or (iii) for so long as the T Shareholders and the W Shareholders each hold at least ten per cent (10 0%) of the Total Allotment, approve the identity and selection of the Company's chief executive ("CE Approval Right") (it being understood that if either of the T or the W Shareholders hold less than ten per cent (10 0%) of the Total Allotment, then the consent of the Investor Director nominated by said shareholder shall no longer be required) Notwithstanding the foregoing, the CE Approval Right shall terminate and shall no longer be required (and Article 30 8(R) shall instead apply) on that date which is 180 days after the effective date of the first written agreement between the Company and its initial chief executive

30 10 Anything done (whether by the Company or any member of the Group or other) without the necessary consent required under Article 30 8 or Article 30 9 or in breach of the terms and conditions of any such consent shall be deemed to render invalid, null and void any such vote by the Board

30 11 Each member shall exercise his or its rights in that capacity or otherwise available to him to ensure (so far as he or it can through such exercise) that the provisions of this Article

30 are complied with

31. Directors Powers

- 31 1 Subject to the Act, these Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of these Articles nor any such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or such direction had not been given. The provisions in these Articles giving specific powers to the Board shall not limit the general powers given by this Article.
- 31 2 Subject always to Article 30 8 and 30 9, the Shareholders may by special resolution direct the Board to take, or refrain from taking, specified action. No such special resolution shall invalidate anything which the Board has already done. The Shareholders may by special resolution change, cancel, or in any way adjust the provisions set out in Articles 30 8 and 30 9 but only to the extent that such a special resolution is validly passed by an affirmative vote of all of the holders of all Ordinary Shares and, for the purpose of this provision, all Ordinary Shares are deemed to include those Ordinary Shares which would have been issued if all of the Company's outstanding Preference Shares had been converted to Ordinary Shares (and Non-Voting Ordinary Shares).
- 31 3 If the number of Directors is less than the minimum prescribed in accordance with these Articles, the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making that appointment. If there are no Director or Directors able or willing to act, any two members or any Investor may summon a general meeting for the purpose of appointing Directors.

32. Directors' Interests

- 32 1 Subject to the provisions of the Act and to the other provisions of these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any Director is in any way interested be liable to be avoided, nor shall any Director who is so interested be liable to account to the Company or the members for any remuneration, profit or other benefit realised by the contract by reason of the Director holding that office or of the fiduciary relationship so established.
- 32 2 A Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Act) and upon such other terms as the Board may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the Board (or any committee authorised by the Board) may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.

- 32.3 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm may be entitled to remuneration for professional services as if he were not a Director
- 32.4 A Director who is in any way (directly or indirectly) interested in a proposed transaction or arrangement with the Company shall declare the nature of his interest to the other Directors (i) at a meeting of the Directors, or (ii) by a notice in writing in accordance with section 184 of the Act, or (iii) by a general notice in accordance with section 185 of the Act prior to that transaction or arrangement being entered into by the Company (where section 177 of the Act applies) or as soon as required by section 182 of the Act, where that section applies. If a declaration of interest under this Article proves to be, or becomes, inaccurate or incomplete, a further declaration must be made. This Article 32.4 does not require a declaration of an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director shall be deemed to be aware of matters of which he ought reasonably to be aware. A Director need not declare an interest in the circumstances set out in section 177(6) or section 182(6) of the Act, as applicable
- 32.5 For the purposes of these Articles and subject to the Act, and unless his appointors shall by written notice to the Company prescribe that this Article 32.5 is not to apply to the Director concerned, each Investor Director shall be deemed by these Articles generally to have disclosed that he is to be regarded as interested in any contracts between and/or situations involving the Company or any member of the Group on the one hand and any Investor and/or any Affiliate or Associate of such Investor on the other
- 32.6 Any Director who is interested in any transaction with the Company shall not vote or be counted in quorum on any resolution of the board in relation to such matter (including for the purposes of Article 30.8 or 30.9)
- 32.7 References in this Article to
- (A) a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract,
 - (B) any contract with or situation involving the Company shall include also any contract with or situation involving any of its subsidiaries or subsidiary undertakings for the time being,
 - (C) an interest of a Director shall include any interest of any person who is connected with him for the purposes of sections 252 to 255 (inclusive) of the Act, to the extent the Director is aware of the interest of that connected person, and
 - (D) an interest of an alternate Director shall also include the interest of his Appointor, to the extent the alternate Director is aware of that interest

33. Notices

- 33.1 Any notice shall be in writing and shall be conclusively deemed to have been duly given

- (A) when hand delivered to the relevant party,
 - (B) when received when sent by facsimile, e-mail or any other form of electronic communication at the relevant address,
 - (C) two Business Days after dispatch if sent to an address in the United Kingdom by post,
 - (D) five Business Days after dispatch if sent by reputable international overnight courier addressed to the relevant party provided that delivery in at least five (5) Business Days was guaranteed at the time of sending and the sending Party receives a confirmation of delivery from the courier service provider, or
 - (E) by airmail (registered or certified) 15 Business Days after sending
- 33 2 In proving such service it shall be sufficient to prove that personal delivery was made, or that such notice or other written communication was properly addressed stamped and posted or in the case of a facsimile, e-mail or other form of electronic communication evidence that such communication was properly sent
- 33 3 Notices must be sent to all holders entitled to receive notice whether or not the address of such holder is within the United Kingdom

34. Indemnities and Insurance

- 34 1 Subject to and to the fullest extent permitted by the provisions of the Act
- (A) every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his, her or its office or otherwise in relation to his, her or its office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his, her or its favour or in which he is acquitted or in connection with any application under sections 661(3) or (4) or 1157 of the Act in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his, her or its office or otherwise in relation to his, her or its office, and
 - (B) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company
- 34 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring such Director against such risks in relation to his office as such director may reasonably specify including without limitation, any liability which by

virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

35. Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them