

Company number: 08553682

REACTA BIOTECH LIMITED

ARTICLES OF ASSOCIATION

adopted on 8 July 2021

as amended on 17 July 2023

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PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
REACTA BIOTECH LIMITED

1 DEFINITIONS AND INTERPRETATION

1.1 In these Articles the following definitions will apply:

“Accounting Period” means an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act;

“acting in concert” has the meaning in the City Code on Takeovers and Mergers in force for the time being;

“Act” means the Companies Act 2006;

“Adoption Date” means the date of the adoption of these Articles by the Company;

“Affiliates” means, in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;

“A Ordinary Share” means an A ordinary share of £0.001 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

“Asset Sale” means disposal by one or more Group Companies of assets (with associated liabilities or otherwise and as part of an undertaking or otherwise) representing 75% or more (by book value) of the consolidated gross tangible assets of the Group at that time;

“Auditors” means the auditors of the Company for the time being;

“BBB” means British Business Bank plc;

“BBB Group” means BBB and its Affiliates (which, for the avoidance of doubt, includes BBI);

“BBI” means British Business Investments Ltd;

“Board” means the board of directors of the Company from time to time;

“Business Day” means any day (other than a Saturday, Sunday or public holiday) during which banks in London are open for normal business;

“Call” has the meaning given in Article 8.1;

“Call Notice” has the meaning given in Article 8.1;

“Call Payment Date” has the meaning given in Article 8.10.1;

“Change of Control” means the acquisition by a Third Party Purchaser of interests in Shares if, upon completion thereof, the Third Party Purchaser together with any person connected with or acting in concert with that Third Party Purchaser (other than any such person who was a party to the Investment Agreement on the Adoption Date) would be entitled to exercise more than 50% of the total voting rights normally exercisable at any general meeting of the Company;

“Company's Lien” has the meaning given in Article 7.1;

“Compulsory Transfer Notice” has the meaning given in Article 16.2;

“Compulsory Transfer Shares” means in relation to a Relevant Member any Shares:

- (a) held by the Relevant Member at the time of the Transfer Event; and
- (b) held at the time of the Transfer Event by any Family Member or Family Trust of the Relevant Member (which Shares were acquired by them from the Relevant Member); and
- (c) acquired by the Relevant Member after the Transfer Event but pursuant to any Share Option Scheme or other arrangement entered into prior to the Transfer Event,

together with, in any case, any further Shares received by the Relevant Member (or Family Member or Family Trust, as appropriate) at any time after the Transfer Event which are derived from any such Shares (by conversion sub-division, capitalisation, or otherwise);

“Control” has the meaning set out in sections 450, 451 and 1124 of the Corporation Tax Act 2010, and “Controlled” shall be construed accordingly;

“DBW” means DBW Investments (3) Limited registered in England and Wales with company number 05210122) or (as the context may require) any person to whom DBW has transferred its shares in accordance with these Articles;

“DBW Director” means a director appointed pursuant to Article 21.2.1;

“Director” means a duly appointed director of the Company for the time being;

“Eligible Director” means a Director who would be entitled to vote on a matter at a meeting of the Directors (excluding any Director whose vote is not to be counted in respect of the particular matter) and references to eligible directors in Article 8 of the Model Articles shall be construed accordingly;

“Employee Trust” means any trust, approved by the Investor Majority, established for the benefit of employees of the any Group Company and/or any of the persons referred to in section 1166 of the Act;

“Encumbrance” means any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other encumbrance or security interest having a similar effect howsoever arising;

“Expert” means the expert identified and engaged in accordance with Article 32;

“Fair Value” means the price which the Expert states in writing to be their opinion of the fair value of the Shares concerned, calculated on the basis that:

- (a) the fair value is the sum which a willing buyer would agree with a willing seller on an arm's length sale to be the purchase price for the Shares concerned on a Share Sale;
- (b) no account shall be taken of the size of the holding which the relevant Shares comprise or whether those Shares represent a majority or minority interest;
- (c) no account shall be taken of the fact that the transferability of the relevant Shares is restricted under these Articles;
- (d) if the Company is then carrying on business as a going concern, it will continue to do so; and
- (e) any difficulty in applying any of the bases set out above shall be resolved by the Expert as they, in their absolute discretion, think fit;

“Family Member” means in relation to any Member, the spouse or civil partner of that Member and their children (including step and adopted children) for the time being;

“Family Trust” means a trust under which the only persons being (or capable of being) beneficiaries are:

- (a) the settlor (being a Member); and/or
- (b) the Family Members of that settlor; and
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from that property when the trust is created but may become so interested if there are no other beneficiaries for the time being except other charities),

and under which no power of control over the voting powers conferred by any Share is exercisable at any time by, or subject to the consent of, any person other than the trustees, the settlor, the Family Members or the Survivor of that settlor. For the purposes of this definition:

- (d) **“settlor”** shall include a testator or an intestate in relation to a Family Trust arising under a testamentary disposition or an intestacy of a deceased Member (as the case may be); and
- (e) **“Survivor”** shall include the widow or widower of the settlor or the surviving civil partner of such settlor at the date of his death;

“Group” means the Company and its subsidiaries for the time being and references to a “Group Company” shall be construed accordingly;

“Hurdle” means the amount of £5 x the number of Ordinary Shares then in issue;

“Investment Agreement” means the agreement dated on the Adoption Date and made between the Company and the Members on that date;

“Investor(s)” means any of Praetura, DBW and MGL (including any additional or replacement Investor who is joined as an Investor in a deed of adherence to, and in the form required by, the Investment Agreement);

“Investor Director” means any of the Praetura Director, DBW Director or MGL Director;

“Investor Majority” means any two of Praetura, DBW and MGL;

“Investor Supermajority” means all of DBW and MGL;

“Issue Price” means in relation to any Share, the amount paid up or credited as paid up on such Share, including the full amount of any premium at which such Share was issued;

“Listing” means either:

- (a) the admission of all or any part of the Shares to listing on the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange’s market for listed securities;
- (b) the admission of all or any part of the Shares to trading on AIM, a market operated by London Stock Exchange; or
- (c) the admission of all or any part of the Shares to listing and/or trading on any other Recognised Investment Exchange,

and, in any such case, such admission becoming unconditionally effective;

“London Stock Exchange” means London Stock Exchange plc;

“Member” means a registered holder of a Share from time to time, as recorded in the register of members of the Company;

“MGL” means Moulton Goodies Limited a company incorporated in Guernsey (Registered Number 57051) whose registered office is at Trafalgar Court 2nd Floor, East Wing Admiral Park, St Peter Port, Guernsey, GY1 3EL;

“MGL Director” means a director appointed pursuant to Article 21.3.1;

“Model Articles” means the model Articles for private companies limited by shares contained in Schedule 1 Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date;

“New Securities” has the meaning given in Article 12.2.1;

“Nil Paid” in relation to a share means that no part of that share’s nominal value or any premium at which it was issued has been paid to the company;

“Ordinary Share” means an ordinary share of £0.001 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

“Partly Paid” in relation to a share, means that part of that share’s nominal value or any premium at which it was issued has not been paid to the company;

“Praetura” means Praetura Ventures Limited or such other party as may be nominated for that purpose in accordance with the Investment Agreement;

“Praetura Director” means a Director appointed pursuant to Article 21.1.1;

“Realisation” means a Share Sale or a Listing;

“Realisation Value” means:

- (a) in respect of a Listing, the market value of Listing Shares determined by reference to the price per share at which they are offered for sale, placed or otherwise marketed pursuant to arrangements relating to the Listing, as determined by the merchant bank (or the broker) appointed by the Directors to advise in connection with the Listing;
- (b) in respect of a Share Sale, the aggregate price paid or payable for the Shares together with the cash value of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares which, having regard to the substance of the Share Sale as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Shares but excluding, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings; and
- (c) in respect of an Asset Sale, the aggregate price paid or payable for the assets being sold together with the cash value of any other consideration (in cash or otherwise) received or receivable by the Company or any Group Company which, having regard to the substance of the Asset Sale as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of those assets but excluding, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings less any liabilities of the Company to be settled by the Company after such Asset Sale,

provided that:

- (d) to the extent that the relevant Realisation or Asset Sale includes an element of deferred consideration (whether contingent or non-contingent) its value shall not be included in the calculation of the Realisation Value until such deferred consideration is received by the holders of the Equity Shares (or, in the case of an Asset Sale, the Company or a Group Company) in which case the full value of the amount actually received shall then be taken into account; and
- (e) the Realisation Value shall be agreed by the Investor Supermajority and their agreement shall be final and binding on the Company and all the Members. Any dispute in respect of the Realisation Value which has not been resolved by the date which is five Business Days prior to the proposed date for completion of the relevant Realisation or Asset Sale shall be referred to the Expert for determination in accordance with Article 32;

“Recognised Investment Exchange” means has the meaning given in section 285(1) Financial Services and Markets Act 2000;

“Relevant Fundraising” has the meaning given in the Investment Agreement;

“Relevant Member” means a Member in respect of whom the Investor Majority has notified the Company that an event shall be treated as a Transfer Event in accordance with Article 16.1;

“Relevant Rate” has the meaning given in Article 8.10.2;

“Relevant Securities” means any Shares, or any right to subscribe for or convert any securities into any Shares;

“Share Option Scheme” means any share option scheme of any Group Company approved by the Investor Majority;

“Shares” means any shares of any class in the capital of the Company;

“Share Sale” means the transfer of any interest in any Shares (whether by one transaction or a series of transactions), other than a transfer in accordance with Article 14.1 or 14.1.5, which results in a Change of Control;

“Subscription Notice” has the meaning given in Article 12.2;

“Third Party Purchaser” means any person who is not a party to the Investment Agreement from time to time or a person connected with such a party;

“Transfer Event” means each of the events set out in Article 16.1; and

“Transfer Notice” means a notice in accordance with Article 13 that a Member wishes to transfer his Shares.

1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the Articles of association of the Company.

1.3 In these Articles a reference to:

1.3.1 a statutory provision includes reference to the provision as replaced, modified or re-enacted from time to time before or after the Adoption Date and any subordinate legislation under the statutory provision;

1.3.2 a **“subsidiary”** includes reference to **“subsidiary”** and a **“subsidiary undertaking”** (as defined in the Act) and reference to **“holding company”** shall include reference to **“holding company”** and **“parent undertaking”** (as defined in the Act);

1.3.3 a person includes reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of jurisdiction);

1.3.4 writing includes any mode of reproducing words in a legible and non-transitory form other than email and fax;

- 1.3.5 **“these Articles”** is to these Articles of association (including the provisions of the Model Articles incorporated in them), and a reference to an Article is to an Article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act; and
- 1.3.6 any agreement or document is to that agreement or document as in force for the time being and as amended from time to time in accordance with the terms of that agreement or document or with the agreement of all the relevant parties.
- 1.4 All consents or approvals to be given by an Investor Director or the Investor Majority or the Investor Supermajority in respect of any provision of these Articles must be given in writing.
- 1.5 The contents table and headings in these Articles are for convenience only and do not affect the interpretation or construction of these Articles.
- 1.6 Singular includes plural and vice versa and words importing a gender include every gender.
- 1.7 The words **“other”**, **“include”**, **“including”** and **“in particular”** do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.
- 1.8 Any question as to whether a person is connected with another shall be determined in accordance with section 1122 Corporation Tax Act 2010 (except that in construing section 1122 **“control”** has the meaning given by section 1124 or section 450 of that Act so that there is control whenever section 1124 or 450 requires) which shall apply in relation to these Articles as it applies in relation to that Act.
- 1.9 These Articles shall be binding on and shall survive for the benefit of the personal representatives and successors-in-title of each party.

2 EQUITY SHARES

Except as provided otherwise herein, A Ordinary Shares and Ordinary Shares rank *pari passu*, but constitute separate classes of shares.

3 DIVIDENDS

Any profits which the Company, on the recommendation of the Directors and the consent of the Investor Majority determines to distribute in respect of any Accounting Period shall be applied on a non-cumulative basis between the holders for the time being of the Shares. Any such dividend shall be paid in cash and shall be distributed amongst the holders of the Shares *pro rata* according to the nominal value of such Shares held by each of them respectively.

4 RETURN OF CAPITAL

On a return of capital, via capital reduction or otherwise, and on liquidation or winding-up of the Company, any surplus assets of the Company (within the meaning given by s173(2)aa, Income Tax Act 2007), remaining after payment of its liabilities shall be distributed as follows:

- 4.1 first an amount equal to the Hurdle shall be allocated 99% to the holders of the Ordinary Shares and 1% to the holders of the A Ordinary Shares; and

- 4.2 thereafter, the balance, amongst the holders of the A Ordinary Shares and holders of the Ordinary Shares, pro rata and pari passu (as if the same constitute one class of Share).

5 EXIT PROVISIONS

- 5.1 On a Share Sale, and subject always to Article 17 below, the Realisation Value shall be distributed amongst holders of the A Ordinary Shares and holders of the Ordinary Shares as follows:
- 5.1.1 first an amount equal to the Hurdle shall be allocated solely to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held; and
- 5.1.2 thereafter, the balance, amongst the holders of the A Ordinary Shares and holders of the Ordinary Shares, pro rata and pari passu (as if the same constitute one class of Share).
- 5.2 On each occasion on which any deferred consideration disregarded in the definition of Realisation Value shall in fact be received, the provisions of Article 5.1 shall be reopened and reapplied as at the date of receipt of such deferred consideration treating that receipt as an amount actually received at the date of Realisation under the definition of Realisation Value to determine the allocation of such deferred consideration and, for that purpose, the calculations used in allocating consideration already received shall be reworked provided that no value already allocated shall be reallocated and this provision shall only serve to allocate the additional consideration later received.
- 5.3 On an Asset Sale, the Realisation Value shall be distributed amongst holders of the A Ordinary Shares and holders of the Ordinary Shares in accordance with Article 4.
- 5.4 Immediately prior to and conditionally upon a Listing the Members shall enter into such reorganisation of the share capital of the Company so as to ensure that the Realisation Value is reallocated between the Members in the same proportions as the preceding provisions of this Article 5 would provide on a Share Sale with the same Realisation Value. The details of any such share reorganisation shall be agreed between the Investor Supermajority and their agreement shall be final and binding on the Company and the Members. Any dispute in respect of such share reorganisation which has not been resolved by the date which is five Business Days prior to the proposed date for completion of the relevant Listing shall be referred to the Expert for determination in accordance with Article 32. The Members undertake to do all such acts necessary (including by the exercise of any of voting rights (whether as a Director or Member)) so as to procure that any reorganisation agreed or determined as aforesaid takes place (including, as required, any sub-division, redesignation or consolidation).

6 VOTING

Holders of Shares shall have the right to receive notice of and to attend, vote (on a poll casting one vote per Share) and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company.

7 COMPANY'S LIEN OVER PARTLY PAID SHARES

- 7.1 The Company has a lien (the "Company's Lien") over every Share which is Partly Paid or Nil Paid for any part of:

7.1.1 that Share's nominal value; and

7.1.2 any premium at which it was issued,

which has not been paid to the Company and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it.

7.2 The Company's Lien over a Share:

7.2.1 takes priority over any third party's interest in that Share; and

7.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

7.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

7.4 Subject to the provisions of this Article, if a lien enforcement notice has been given in respect of a share, and the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the Directors decide.

7.5 A lien enforcement notice:

7.5.1 may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

7.5.2 must specify the Share concerned;

7.5.3 must require payment of the sum payable within 14 days of the notice;

7.5.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

7.5.5 must state the Company's intention to sell the Share if the notice is not complied with.

7.6 Where Shares are sold under this Article:

7.6.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

7.6.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

7.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

7.7.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and

7.7.2 second, to the person entitled to the Shares at the date of the sale, but only if the certificate for the Shares sold must have been surrendered to the Company for cancellation or a suitable indemnity must have been given for any lost certificates.

- 7.8 Any application under Article 7.7 must be subject to a lien (equivalent to the Company's Lien over the Shares before the sale) for any money payable in respect of the Shares after the date of the lien enforcement notice.
- 7.9 A statutory declaration by a Director or the Secretary of the Company that the declarant is a Director or the Secretary of the Company and that a Share has been sold to satisfy the Company's Lien on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and (subject to compliance with any other formalities of transfer required by the Articles or by law) constitutes a good title to the Share.

8 CALL NOTICES

- 8.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a **"Call Notice"**) to a Member requiring the Member to pay the Company a specified sum of money (a **"Call"**) which is payable in respect of Shares which that Member holds at the date when the Directors decide to send the Call Notice.
- 8.2 A Call Notice:
- 8.2.1 may not require a Member to pay a Call which exceeds the total sum unpaid on that Member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
- 8.2.2 must state when and how any Call to which it relates it is to be paid; and
- 8.2.3 may permit or require the Call to be paid by instalments.
- 8.3 A Member must comply with the requirements of a Call Notice, but no Member is obliged to pay any Call before the expiry of 14 days beginning on the day after the date when the Call Notice was sent.
- 8.4 Before the Company has received any Call due under a Call Notice, the Directors may give notice in writing to the Member in respect of whose Shares the Call is made revoking the Call Notice wholly or in part, or specifying a later time for payment than is specified in the notice.
- 8.5 A Member cannot extinguish or transfer liability to pay a Call by transferring the Shares in respect of which it is required to be paid.
- 8.6 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.
- 8.7 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to pay Calls which are not the same, or to pay Calls at different times.
- 8.8 A Call Notice need not be issued in respect of a sum payable to the Company in relation to any particular Share (whether in relation to nominal value or any premium) where the terms on which that Share was issued specify that the sum is payable on:
- 8.8.1 allotment;
- 8.8.2 the occurrence of a particular event; or
- 8.8.3 a date fixed by or in accordance with the terms of issue.
- 8.9 Where the due date for payment of any sum referred to in Article 8.8 has passed and it has not been paid, the holder of the Share concerned:

- 8.9.1 is treated in all respects as having failed to comply with a Call Notice in respect of that sum; and
- 8.9.2 is liable to the same consequences as regards the payment of interest and forfeiture.
- 8.10 For the purposes of Articles 8.11 and 8.12:
 - 8.10.1 the call payment date (the “**Call Payment Date**”) is the time when the Call Notice states that a Call is payable or any later date which the Directors may subsequently specify by notice in writing under Article 8.4; and
 - 8.10.2 the relevant rate (the “**Relevant Rate**”) is:
 - 8.10.2.1 the rate fixed by the terms on which the Share in relation to which the Call is due was allotted;
 - 8.10.2.2 any other rate which has been fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors; or
 - 8.10.2.3 if no rate is fixed in either of these ways, 5% per year.
- 8.11 The Relevant Rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under the Bank of England Act 1998 Part 2.
- 8.12 If a person is liable to pay a Call and fails to do so by the Call Payment Date the Directors may issue a notice of intended forfeiture to that person, and until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate.
- 8.13 The Directors may waive any obligation to pay interest on a Call, wholly or in part.

9 NOTICE OF INTENDED FORFEITURE

- 9.1 A notice of intended forfeiture:
 - 9.1.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
 - 9.1.2 must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
 - 9.1.3 must require payment of the Call and any accrued interest by the end of a period which is not less than 14 days beginning on the day after the date of the Call Notice;
 - 9.1.4 must state how the payment is to be made; and
 - 9.1.5 must state that, if the Call Notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.
- 9.2 If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and that the forfeiture is to include all dividends or other money payable in respect of the forfeited Shares and not paid before the forfeiture.

10 EFFECT OF FORFEITURE

- 10.1 Subject to these Articles, the forfeiture of a Share extinguishes all interests in that Share, and all claims and demands against the Company in respect of it, and all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 10.2 Any Share which is forfeited in accordance with the Articles:
 - 10.2.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
 - 10.2.2 is deemed to be the property of the Company; and
 - 10.2.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 10.3 If a person's Shares have been forfeited:
 - 10.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
 - 10.3.2 that person ceases to be a Member in respect of those Shares;
 - 10.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 10.3.4 that person remains liable to the Company for all sums payable by him under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 10.3.5 the Directors may waive payment of such sums wholly or in part, or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 10.4 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.
- 10.5 If the Company disposes of a forfeited Share by transferring it, it may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.
- 10.6 A statutory declaration by a Director or the Secretary of the Company that the declarant is a Director or the Secretary of the Company and that a Share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and (subject to compliance with any other formalities of transfer required by the Articles or by law) constitutes a good title to the Share.
- 10.7 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor will any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share affect that person's title to the Share.
- 10.8 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of that sale, net of any commission, and excluding any amount which was, or would have become, payable in relation to that Share, and had not been paid by that person when that Share was forfeited. No interest is payable to that person in respect of the proceeds of sale and the Company is not required to account for any money earned on them.

11 SURRENDER OF SHARES

- 11.1 A Member may surrender any Share in respect of which the Directors may issue a notice of intended forfeiture which the Directors may forfeit, or which has been forfeited.
- 11.2 The Directors may accept the surrender of a Share falling within Article 11.1.
- 11.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 11.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

12 ISSUE OF SHARES

- 12.1 Subject to Articles 12.2 to 12.7, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act to exercise any power of the Company to allot Relevant Securities. The authority granted under this Article 12.1 shall:
 - 12.1.1 be limited to a maximum amount in nominal value of the aggregate of:
 - 12.1.1.1 £42.50 (in respect of shares to be issued pursuant to a Share Option Scheme);
 - 12.1.1.2 £5.25 (in respect of shares to be issued pursuant to deed of warrant granted to Acceleris Capital Limited dated 18 August 2016);
 - 12.1.1.3 £9.00 (in respect of shares to be issued pursuant to a warrant to subscribe);
 - 12.1.1.4 £10.00 (in respect of A Ordinary Shares) and
 - 12.1.1.5 £431.45 in respect of Ordinary Shares to be issued pursuant to the Investment Agreement;
 - 12.1.2 only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the Members; and
 - 12.1.3 expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period.
- 12.2 Unless the Investor Supermajority agrees otherwise, any Relevant Securities which the Directors propose to allot, grant or otherwise dispose of shall, before they are so allotted, granted or otherwise disposed of, be offered to the Members holding A Shares and/or Ordinary Shares. Such offer shall be made by means of a notice (a "Subscription Notice") served by the Directors on all Members which shall:
 - 12.2.1 state the number and class of Relevant Securities offered (the "New Securities");
 - 12.2.2 state the subscription price per New Security, which shall be determined by the Directors (the "Subscription Price");

- 12.2.3 invite the relevant offerees to respond in writing to the Company stating the number of New Securities for which they wish to subscribe; and
 - 12.2.4 expire, and the offer made in that notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified therein, being not less than 10 or more than 20 Business Days after the date of the Subscription Notice.
- 12.3 After expiry of the period referred to in the Subscription Notice or, if sooner, all Members responding to the Subscription Notice (in either case, the “Subscription Allocation Date”), the Directors shall allocate the New Securities in accordance with the applications received provided that:
- 12.3.1 no New Securities shall be allocated to any Member who, at the Subscription Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name (including, for the avoidance of doubt, a Compulsory Transfer Notice);
 - 12.3.2 no New Securities shall be allocated to any Member who does not satisfy any conditions set out in the Subscription Notice pursuant to Article 12.2;
 - 12.3.3 if there are applications for more than the number of New Securities available, the New Securities shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more New Securities than he applied for) to the number of Shares held by each of them respectively Shares then in issue; and
 - 12.3.4 the allocation of any fractional entitlements to New Securities amongst the Members shall be dealt with by the Directors, with the consent of the Investor Majority, in such manner as they see fit.
- 12.4 Within five Business Days of the Subscription Allocation Date the Directors shall give notice in writing (“Subscription Allocation Notice”) to each Member to whom New Securities have been allocated pursuant to Article 12.2 (each a “Subscriber”). A Subscription Allocation Notice shall state:
- 12.4.1 the number and class of New Securities allocated to that Subscriber;
 - 12.4.2 the aggregate subscription price payable by the Subscriber in respect of the New Securities allocated to him; and
 - 12.4.3 the place, date and time (being not less than two nor more than five Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the New Securities shall take place.
- 12.5 Completion of a subscription for New Securities pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds and the Company will allot or grant the New Securities to that Subscriber and deliver to that Subscriber a duly executed share certificate or certificate of grant (as the case may be) in respect of those New Securities. If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect

of any New Securities to the Company in cleared funds by the date in the Subscription Allocation Notice he shall:

12.5.1 be deemed to have declined the offer made to him in respect of those New Securities which shall immediately be deemed to be released from the provisions of Articles 12.2 to 12.4; and

12.5.2 indemnify the Company against all costs, claims and expenses which the Company may suffer or incur as a result of such failure.

12.6 Any New Securities which are not accepted pursuant to Articles 12.2 to 12.4, and any New Securities released from the provisions of those Articles either by virtue of a Subscriber's default in accordance with Article 12.5 or by virtue of the agreement of the Investor Supermajority, may be offered by the Directors to a third party and such New Securities shall, subject to the provisions of the Act be at the disposal of the Directors who may allot, grant or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that:

12.6.1 no New Securities shall be issued at a discount;

12.6.2 no New Securities may be allotted if the Investor Majority is of the opinion on reasonable grounds (such decision to be communicated to the Board) that the proposed allottee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of a Group Company; and

12.6.3 no New Securities shall be allotted, granted or otherwise disposed of more than three months after the date of the relevant Subscription Notice relating to those Relevant Securities (or, in the case of New Securities released from the provisions of Articles 12.2 to 12.4 by virtue of the agreement of the Investor Majority, the date of such agreement being given) unless the procedure in Articles 12.2 to 12.4 is repeated in relation to that New Security.

12.7 The provisions of Articles 12.2 to 12.4 shall not apply to:

12.7.1 the grant of any option pursuant to a Share Option Scheme and the subsequent issue of any Shares on the exercise of such option; or

12.7.2 the issue of Shares to be allotted pursuant to an express provision in the Investment Agreement.

12.8 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.

12.9 Notwithstanding any other provision of these Articles, no Share shall be allotted to a person who is not already a party to the Investment Agreement unless that person has entered into a deed of adherence to, and in the form required by, the Investment Agreement.

13 TRANSFER OF SHARES - GENERAL

13.1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share:

13.1.1 if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Investor Majority) lacks capacity; or

13.1.2 unless the transfer is permitted by Article 14 or the transfer is made in accordance with Article 15, 16, 16.7 or 17.10.2 and in any such case (other than in respect of a transfer to a Third Party Purchaser under Article 16.7 or 17.10.2) the transferee, if not already a party to the Investment Agreement, has entered into a deed of adherence to, and in the form required by, the Investment Agreement:

13.2 The Directors may only refuse to register a transfer of Shares which is either permitted under Article 14 or made in accordance with Articles 15, 16, 16.7 or 17.10.2 if:

13.2.1 the transfer has not been lodged at the Company's registered office (or such other place as the Directors may nominate for this purpose);

13.2.2 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for a lost, stolen or damaged certificate in such form as is reasonably required by the Directors) and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer;

13.2.3 the transfer is in respect of more than one class of Shares;

13.2.4 the transfer is in favour of more than four transferees; or

13.2.5 the transfer has not been properly stamped or certified as being not liable to stamp duty.

In all other cases, the Directors must register such a transfer of Shares. Article 26(5) of the Model Articles shall not apply to the Company.

13.3 For the purposes of ensuring that:

13.3.1 a transfer of any Share is in accordance with these Articles; or

13.3.2 no circumstances have arisen whereby a Member is required to give or may be deemed to have given a Transfer Notice in respect of any Share; or

13.3.3 no circumstances have arisen whereby the provisions of Article 17.10.2 are required to be or ought to have been triggered,

the Directors may from time to time (and shall, if so requested to do by an Investor Director) require any Member to provide, or to procure that any person named as the transferee in any transfer lodged for registration or any other person whom the Directors or an Investor Director reasonably believes to have information relevant to such purpose provides, such information and evidence as the Directors or an Investor Director may require for such purpose. Pending such information or evidence being

provided, the Directors are entitled (and shall, if so requested to do by an Investor Director) to refuse to register any relevant transfer of Shares.

- 13.4 If any information or evidence provided pursuant to Article 13.3 discloses to the reasonable satisfaction of the Directors that circumstances have arisen whereby a Member may be required to give or be deemed to have given a Transfer Notice the Directors may with the consent of the Investor Majority (and shall, if so requested to do so by the Investor Majority) by notice in writing to the relevant Member require that a Transfer Notice be given in respect of the Shares concerned.
- 13.5 In any case where a Member is required to give a Transfer Notice in accordance with the provisions of these Articles and such Transfer Notice is not duly given within a period of 10 Business Days of written notice from the Directors to the relevant Member requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 10 Business Days. Notwithstanding any other provision of these Articles, unless the Investor Majority resolves otherwise, any Shares which are the subject of a Transfer Notice deemed to have been served in accordance with this Article 13.5 (and any Shares received after the date of service, or deemed service, of any such Transfer Notice which are derived from any Share which is the subject of that Transfer Notice, whether by conversion, consolidation or sub-division, or by way of capitalisation, rights or bonus issue or otherwise) shall with effect from the date of the relevant deemed Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer upon the holder of such shares any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares) until such time as another person is entered in the register of members of the Company as the holder of those Shares.
- 13.6 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any Encumbrance.
- 13.7 Where any Shares are the subject of a Transfer Notice (including a Compulsory Transfer Notice deemed to have been given in accordance with Article 16.2), no transfer of any such Shares shall be permitted pursuant to Article 14.

14 PERMITTED TRANSFERS

14.1 Ordinary Shares and Co-investees

Any Ordinary Share held by the Investors or any nominee on behalf of any of the Investors may be transferred at any time to:

- 14.1.1 any investor beneficially entitled to the same and for whom a nominee holds such Share(s);
- 14.1.2 any investment fund or co-investment plan for whom the Shares are held;
- 14.1.3 another nominee or trustee for, or general partner of, the investment fund or co-investment plan for whom the Shares are held;

- 14.1.4 another investment fund or co-investment plan which is managed or advised by the same manager or adviser as the transferor or as the investment fund or co-investment plan for whom the Shares are held;
- 14.1.5 any unitholder, shareholder, partner or participant in, or manager or adviser (or an officer or employee, past or present, of such manager or adviser) of the investment fund or co-investment plan for whom the Shares are held;
- 14.1.6 in the case of any Ordinary Share held by Praetura or its nominee only, to any member of the BBB Group or any other entity controlled or majority owned (directly or indirectly) by the Department for Business, Energy and Industrial Strategy or any other UK government agency, or any entity managed, advised, controlled or majority owned (directly or indirectly) by such member of the BBB Group or other entity but for the avoidance of doubt no transfer may be made to a competitor of the Company under this article 14.1.6 without approval of the Board; or
- 14.1.7 a manager, custodian, nominee or trustee (or other person so authorised) of any person mentioned in Articles 14.1.1 to 14.1.6 above, or by any such manager, custodian, nominee or trustee to any such person.

14.2 Transfer with consent

Any Shares may at any time be transferred with the prior consent of the Investor Majority, or, in the case of a proposed transfer of Shares by an Investor, with the prior consent of an Investor Supermajority.

14.3 Transfer within corporate group

- 14.3.1 Any Member which is a body corporate may at any time transfer any Shares held by it to a company which is for the time being a subsidiary or holding company of that Member or another subsidiary of such holding company (each a “member of the same group”).
- 14.3.2 Where, following a transfer or series of transfers of Shares pursuant to this Article 14.3, the transferee of any Shares ceases at any time for any reason to be a member of the same group as the original transferor of those Shares, such transferee shall forthwith transfer all the Shares held by it to the original transferor (or another member of the same group as that original transferor) for such consideration as they may agree between them and, if they do not agree such consideration or if the transfer is not effected for any other reason within 20 Business Days of the date on which the transferee ceased to be a member of the same group as the original transferor, the Directors may (and shall, if so requested to do by the Investor Majority) either authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee and register the original transferor of those Shares as the holder of such Shares or require such transferee to serve a Transfer Notice in respect of all the Shares held by it in which case the provisions of Article 15 shall apply.

14.4 Transfer by Employee Trust

Where any Shares are held by a trustee(s) on an Employee Trust, those Shares may be transferred to:

- 14.4.1 any new trustee(s) of the Employee Trust appointed on a change in trustee(s);
or
- 14.4.2 any beneficiary of the Employee Trust, provided the transfer is made pursuant to, and in accordance with the rules of, a Share Option Scheme.

14.5 Transfer to a Family Member

- 14.5.1 Subject to Articles 14.5.2 and 14.5.3, any individual Member may at any time transfer up to 50% of any Ordinary Shares and/or A Ordinary Shares held by him to one or more Family Members with written consent of the Investor Majority.
- 14.5.2 Where any Member (in this Article 14.5.2 the “transferor”) transfers Shares to a Family Member (in this Article 14.5.2, the “transferee”) the transferor shall procure, before the transfer is presented for registration, that he is appointed, on terms reasonably satisfactory to the Investor Majority, as the attorney of the transferee to exercise, in the name of and on behalf of the transferee, all or any of the rights in relation to the Shares transferred to him with full (unconditional and irrevocable) authority to sell those Shares on behalf of the transferee on a Realisation. For that purpose the transferee authorises the Company to send any written resolutions, notices or other communications in respect of the Shares registered in the name of the transferee to the transferor.
- 14.5.3 Where, following a transfer of Shares pursuant to Article 14.5.1, the transferee of those Shares ceases for any reason to be a Family Member of the original transferor of those Shares or one of the events specified in Articles 16.1.1 to 16.1.8 occurs in relation to the transferee, such transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) shall within 20 Business Days of a written request so to do from the Directors or an Investor Director, transfer all the Shares held by them to the original transferor failing which the Directors may (and shall, if so requested to do by the Investor Majority) at any time either authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) and register the original transferor of those Shares as the holder of such Shares or require such transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) to serve a Transfer Notice in respect of all the Shares held by him and the provisions of Article 15 shall apply.
- 14.5.4 A Family Member to whom Shares have been transferred pursuant to this Article 14.5 may transfer those Shares back to the original transferor at any time but may not otherwise transfer such Shares pursuant to Article 14.5 or 14.6.

14.6 Transfer to a Family Trust

14.6.1 Subject to Articles 14.6.2 and 14.6.3, any individual Member may at any time transfer up to 50% of any Ordinary Shares and/or A Ordinary Shares held by him to one or more trustees to be held on a Family Trust, with the prior written consent of the Investor Majority.

14.6.2 Where any Shares are held by a trustee(s) on a Family Trust, those Shares may be transferred to:

14.6.2.1 any new trustee(s) of the Family Trust appointed on a change in trustee(s);

14.6.2.2 the settlor of such Family Trust;

14.6.2.3 the trustees of another Family Trust which has the same settlor; or

14.6.2.4 any Family Member of the settlor of such Family Trust on their becoming entitled to such Shares under the terms of the Family Trust.

14.6.3 Where any Shares are held by a trustee(s) on a Family Trust and either:

14.6.3.1 the relevant trust ceases to be a Family Trust in relation to the settlor; or

14.6.3.2 there ceases to be any beneficiaries of the Family Trust other than charities,

the trustee(s) shall forthwith, and in any event within 20 Business Days of the date on which the trust ceased to be such a Family Trust or there ceased to be any beneficiaries as above, transfer all the Shares held by them to the original transferor failing which the Directors may (and shall, if so requested to do by the Investor Majority) at any time either authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee and register the original transferor of those Shares as the holder of such Shares or require such trustee(s) to serve a Transfer Notice in respect of all the Shares held by them and the provisions of Article 15 shall apply.

15 PRE-EMPTION ON TRANSFER OF SHARES

15.1 Transfer Notice

15.1.1 Except as permitted under Article 14 (Permitted transfers) or as provided for in Articles 17 (Drag along) and 18 (Tag along), any Member ("Seller") who wishes to transfer any Share (or any interest in any Share) shall, before transferring or agreeing to transfer such Share (or interest), give notice in writing ("Transfer Notice") to the Company of his wish.

15.1.2 Subject to Article 15.1.3, a Transfer Notice shall:

15.1.2.1 state the number and class of Shares ("Sale Shares") which the Seller wishes to transfer;

- 15.1.2.2 state the name of the person (if any) to whom the Seller wishes to transfer the Sale Shares ("**Proposed Transferee**");
 - 15.1.2.3 state the price per Share ("Proposed Price") at which the Seller wishes to transfer the Sale Shares;
 - 15.1.2.4 state if the Transfer Notice is conditional upon all (and not only part) of the Sale Shares being sold pursuant to this Article 15 ("Total Transfer Condition");
 - 15.1.2.5 relate to only one class of Share;
 - 15.1.2.6 constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this Article 15; and
 - 15.1.2.7 not be capable of variation or cancellation without the consent of the Investor Majority.
- 15.1.3 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these Articles (including a Compulsory Transfer Notice deemed to have been served in accordance with Article 16.2):
- 15.1.3.1 subject as otherwise provided in Article 16, it shall relate to all the Shares registered in the name of the Seller;
 - 15.1.3.2 it shall not contain a Total Transfer Condition;
 - 15.1.3.3 subject to Article 16.3, the Transfer Price shall be such price as may be agreed between the Seller and the Directors, with the consent of the Investor Majority, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice or if either no price is agreed within such period or the Investor Majority directs at any time during that period, the Fair Value determined in accordance with Article 15.2.2;
 - 15.1.3.4 it shall be irrevocable; and
 - 15.1.3.5 subject to Articles 13.4, 13.5 and Article 16, the Seller may retain any Sale Shares for which Buyers (as defined in Article 15.5.2) are not found.

15.2 Transfer Price

- 15.2.1 The Sale Shares will (subject to Article 16) be offered for sale in accordance with this Article 15 at the following price ("Transfer Price"):
- 15.2.1.1 subject to the consent of the Investor Majority, the Proposed Price; or
 - 15.2.1.2 such other price as may be agreed between the Seller and the Directors, with the consent of the Investor Majority, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice; or

15.2.1.3 if no price is agreed pursuant to Article 15.2.1.2 within the period specified in that Article, or if the Investor Majority directs at any time during that period, whichever is the lower of (i) the Proposed Price and (ii) the Fair Value.

15.2.2 If the Seller and Directors are unable to agree on Transfer Price in accordance with Article 15.2.1.2 or if the Investor Majority directs in accordance with Article 15.2.1.3 (or Article 15.1.3.3 in the case of a Transfer Notice which is deemed to have been given by virtue of any provision of these Articles), the Directors shall instruct the Expert to determine and certify Fair Value of the Sale Shares in accordance with Article 32.

15.2.3 Where the Fair Value is less than the price proposed by the Directors to the Seller not less than five Business Days prior to receipt of the Expert's report by the Company then the Expert's fees shall be borne wholly by the Seller.

15.3 Board Invitees

In these Articles, the expression "Board Invitee" shall mean any of:

15.3.1 the Company (subject to compliance by the Company with the provisions of the Act); and/or

15.3.2 the trustees of any Employee Trust; and/or

15.3.3 any person(s) (being a current or future employee or officer of a Group Company) nominated by the Investor Majority,

as selected by the Directors with the consent of the Investor Majority in the period of six months after the date on which the Transfer Price is agreed or determined in accordance with these Articles or, if no such persons are selected in accordance with this Article 15.3 within that period, as selected by the Investor Majority within a further period of six months.

15.4 Offer Notice

15.4.1 Subject to Article 15.4.2, the Directors shall serve a notice ("Offer Notice") on all Members and Board Invitees (as the case may be) to whom Sale Shares are to be offered in accordance with these Articles as soon as reasonably practicable after (in any event within 20 Business Days of) the first to occur of:

15.4.1.1 the period prescribed in Article 15.3 for the selection of Board Invitees having expired; or

15.4.1.2 the identity of all Board Invitees having been determined with the consent of the Investor Majority; or

15.4.1.3 the Directors determining, with the consent of the Investor Majority, that none of the Sale Shares are to be offered to a Board Invitee,

or, if later, on Transfer Price being agreed or determined in accordance with these Articles.

15.4.2 An Offer Notice shall not be sent to, and no Sale Shares shall be treated as offered to, the Seller or any Member who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name.

15.4.3 An Offer Notice shall:

15.4.3.1 state the Transfer Price;

15.4.3.2 contain the other relevant information set out in the Transfer Notice;

15.4.3.3 invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase; and

15.4.3.4 expire, and the offer made in that Offer Notice shall be deemed to be withdrawn, on a date which is not less than 10 nor more than 20 Business Days after the date of the Offer Notice.

15.4.4 For the purposes of allocating Sale Shares amongst Members and any Board Invitees, Sale Shares of a class specified in the first column of the table set out below will be treated as offered:

15.4.4.1 first, to all persons in the category set out in the corresponding line in the second column in the table below; and

15.4.4.2 second, to the extent not already accepted by persons in the second column, to all persons in the category set out in the corresponding line in the third column in the table below:

Class of Sale Shares	First offer to:	Second offer to:	Third offer to:
A Ordinary Shares	Board Invitees	Members holding A Ordinary Shares	Members holding Ordinary Shares
Ordinary Shares	Board Invitees	Members holding Ordinary Shares	Members holding A Ordinary Shares

15.5 Allocation of Sale Shares

15.5.1 After expiry of the period specified in the Offer Notice or, if sooner, upon all Members holding shares of a class specified in a column in the table in Article 15.4.4 having responded to the Offer Notice and the Company having received valid applications for all the Sale Shares (in either case the "Allocation Date"), the Directors shall allocate the Sale Shares in accordance

with the applications received in the priorities and in respect of each class of persons set out in the table in Article 15.4.4 provided that:

- 15.5.1.1 if there are applications from any class of offerees for more than the number of Sale Shares available for that class, the Sale Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to anyone more Share than they applied for) to the number of Shares of the class entitling them to receive such offer held by each of them respectively;
 - 15.5.1.2 the allocation of any fractional entitlements to Sale Shares amongst the members of a particular class of Shares shall be dealt with by the Directors, with the consent of an Investor Director, in such manner as they see fit;
 - 15.5.1.3 the allocation of Sale Shares between two or more Board Invitees shall be at the absolute discretion of the Directors, subject to the approval of the Investor Majority; and
 - 15.5.1.4 no Sale Shares shall be allocated to any Member who, at the Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name.
- 15.5.2 Within five Business Days of the Allocation Date the Directors shall give notice in writing ("Allocation Notice") to the Seller and each Member or Board Invitee to whom Sale Shares have been allocated pursuant to Article 15.5.1 (each a "Buyer"). An Allocation Notice shall state:
- 15.5.2.1 the number and class of Sale Shares allocated to that Buyer;
 - 15.5.2.2 the name and address of the Buyer;
 - 15.5.2.3 the aggregate purchase price payable by the Buyer in respect of the Sale Shares allocated to him;
 - 15.5.2.4 the information (if any) required pursuant to Article 15.5.4; and
 - 15.5.2.5 subject to Article 15.5.4, the place, date and time (being not less than two nor more than five Business Days after the date of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place.
- 15.5.3 Subject to Article 15.5.4, completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) in respect of such Sale Shares, to that Buyer.

- 15.5.4 If the Transfer Notice contained a Total Transfer Condition and the total number of Shares applied for and allocated to the Buyers in accordance with Article 15.5.1 is less than the total number of Sale Shares then:
- 15.5.4.1 the Allocation Notice will refer to the Total Transfer Condition and will contain a further offer ("Further Offer") to the Buyers inviting them to apply for further Sale Shares at the Transfer Price;
 - 15.5.4.2 the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 10 Business Days) specified in the Allocation Notice;
 - 15.5.4.3 any Sale Shares accepted by the Buyers pursuant to the Further Offer shall be allocated amongst them in accordance with the provisions of Articles 15.5.1.1 to 15.5.1.3; and
 - 15.5.4.4 following the allocation of any Sale Shares amongst the Buyers in accordance with Article 15.5.4.3, and provided all the Sale Shares have then been allocated, the Directors shall issue revised Allocation Notices in accordance with Article 15.5.2 but omitting Article 15.5.2.4 of that Article.
- 15.5.5 Subject to Article 15.5.6, service of an Allocation Notice (or a revised Allocation Notice in accordance with Article 15.5.4) shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified in that Allocation Notice on the terms offered to that Buyer.
- 15.5.6 If after following the procedure set out in this Article 15 the total number of Shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then:
- 15.5.6.1 if the Transfer Notice contained a Total Transfer Condition, then notwithstanding any other provision of this Article 15 no Sale Shares shall be deemed to have been allocated to any Buyer and the Seller and the Buyers shall not be bound to sell or purchase any Sale Shares in accordance with this Article 15; and
 - 15.5.6.2 the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares.

15.6 Default by the Seller

- 15.6.1 If a Seller fails to transfer Sale Shares to a Buyer when required by this Article 15, the Directors may (and will if requested to do so by the Investor Majority) authorise any Director to execute each necessary transfer of Sale Shares on the Seller's behalf and to deliver that transfer to the relevant Buyer.
- 15.6.2 The Company may receive the purchase money from a Buyer on behalf of the Seller and shall then, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to him. The receipt of the Company for the purchase money shall constitute good discharge to the Buyer and after the Buyer has been registered

in purported exercise of the power conferred by this Article 15.6 the validity of the proceedings shall not be questioned by any person.

- 15.6.3 The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered to the Company the share certificate(s) in respect of the relevant Shares (or a suitable indemnity in a form reasonably satisfactory to the Directors with the consent of an Investor Director).

15.7 Transfers following exhaustion of pre-emption rights

If Sale Shares are not allocated to a Buyer under the foregoing provisions of this Article 15 the Seller may, within three calendar months of the date of service of the notice referred to in Article 15.5.6.2, and subject always to the provisions of Article 16, sell any of those unallocated Sale Shares to the Proposed Transferee (or, if none was so named, any other person) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser) provided that:

- 15.7.1 no Share shall be sold to, and the Directors shall not register a transfer to, a person who is not already a Member without the prior written consent of the Investor Supermajority;
- 15.7.2 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of the Investor Supermajority;
- 15.7.3 the Directors may require to be satisfied the relevant Sale Shares are being transferred under a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance to the proposed purchaser and, if not so satisfied, may refuse to register the transfer (without prejudice to any power of the Directors to refuse to register a transfer in accordance with Article 13); and
- 15.7.4 the Directors shall not register the transfer if as a result the proposed purchaser would be required to make an offer in accordance with Article 17.10.2 until such time as that offer has been made and, if accepted, completed.

16 COMPULSORY TRANSFERS

- 16.1 In this Article 16, each of the following shall be a "Transfer Event" in relation to a Member holding Ordinary Shares and/or A Ordinary Shares:
- 16.1.1 the death of that Member;
- 16.1.2 an order is made by court or adjudicator for bankruptcy of that Member, or a petition presented or application made for adjudication for such bankruptcy and not withdrawn or dismissed within 10 Business Days of being presented or made;
- 16.1.3 the Member circulating a proposal in relation to, or taking any other steps with a view to making arrangements with his creditors generally;
- 16.1.4 the Member being unable to pay his debts as they fall due (within the meaning of section 268 Insolvency Act 1968);

- 16.1.5 any step being taken for appointment of a receiver, manager or administrative receiver over any material part of the Member's assets, or any other steps being taken to enforce any Encumbrance over all or any material part of the Member's assets or any Shares held by that Member;
- 16.1.6 any proceedings or orders equivalent or analogous to any of those described in Articles 16.1.2 to 16.1.5 above occurring in respect of the Member under the law of any jurisdiction outside England and Wales;
- 16.1.7 that Member suffering from mental disorder and being admitted to hospital or, by reason of his mental health, being subject to any court order which wholly or partly prevents that Member from personally exercising any powers or rights which that Member would otherwise have; or
- 16.1.8 that Member, being a director or employee of, or a consultant to, a Group Company, ceasing to be such a director, employee or consultant (including where such cessation occurs as a result of a Group Company ceasing to be a Group Company) where the Member does not remain, or immediately become, a director or employee of, or a consultant to, a Group Company,

and, in any such case, the Investor Majority notifying the Company within six months of the occurrence of such event (or, if later, within six months of the date on which the Directors first became aware of the occurrence of such event) that such event is a Transfer Event in relation to that Member for the purposes of this Article 16.

- 16.2 Upon the Investor Majority notifying the Company that an event is a Transfer Event in respect of a Member in accordance with Article 16.1, the Relevant Member and any other person holding Compulsory Transfer Shares, shall be deemed to have served a Transfer Notice ("Compulsory Transfer Notice") in respect of all the Compulsory Transfer Shares held from time to time by each of them respectively. A Compulsory Transfer Notice shall supersede any current Transfer Notice in respect of any Compulsory Transfer Shares.
- 16.3 The Compulsory Transfer Shares shall be offered for sale in accordance with the provisions of Article 15 as if the Compulsory Transfer Shares were Sale Shares
- 16.4 For the purposes of Article 16.1.8 the date of cessation of a Member's employment, directorship or engagement shall be (or be deemed to be) whichever is the first to occur of:
 - 16.4.1 the date of a notice given by a Group Company to the Member terminating (or purporting to terminate) that Member's employment, directorship or engagement with the Group (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice constitutes unfair or wrongful dismissal;
 - 16.4.2 the date of a notice given by a Member to a Group Company terminating (or purporting to terminate) that Member's employment, directorship or engagement with the Group (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice may lawfully be given by the Member;

- 16.4.3 the date on which a repudiatory breach of any contract of employment or engagement by either the Member or a Group Company is accepted by the other party to that contract;
- 16.4.4 the date of any event which results in the termination of the contract of employment or engagement under the doctrine of frustration; or
- 16.4.5 in any circumstances other than those specified in Articles 16.4.1 to 16.4.4, the date on which the Member actually ceases to be employed or engaged by the Group.
- 16.5 Notwithstanding any other provision of these Articles, unless the Investor Majority resolves otherwise, any Shares held by the Relevant Member (including the Compulsory Transfer Shares) shall, with effect from the date of the relevant Compulsory Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer on the holder of those Shares any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares) until such time as another person is entered in the register of members of the Company as the holder of those Compulsory Transfer Shares (or other Shares).
- 16.6 Articles 27(2)(a) and 28 of the Model Articles shall not apply to the Company.
- 16.7 Notwithstanding any other provision of these Articles, in the event of any Compulsory Transfer Shares being retained by a Relevant Member (or their Family Member(s) or Family Trust(s) (as appropriate)), as a consequence of such shares being Sale Shares which were not allocated to a Buyer under the provisions of Article 15, where the relevant Transfer Event falls within the provisions of Article 16.1.8, "Fair Value" shall mean the lower of (i) Fair Value as at the date of cessation of the Relevant Member's employment, directorship or engagement (determined in accordance with Article 16.5) and (ii) Fair Value on the date of a Realisation, and shall only become due and payable on the date of the Realisation.

17 DRAG ALONG

- 17.1 If Praetura, DBW and MGL (together the "Selling Members") wish to transfer all their Shares to a proposed purchaser ("Proposed Purchaser"), they shall have the option ("Drag Along Option") to require all or any of the other Members ("Remaining Members") to transfer all their Shares with full title guarantee to the Proposed Purchaser (or as the Proposed Purchaser shall direct) in accordance with this Article 17.
- 17.2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect ("Drag Along Notice") to each of the Remaining Members at any time before the registration of the transfer of the Selling Members' Shares. A Drag Along Notice shall specify:
 - 17.2.1 that the Remaining Members are required to transfer all their Shares ("Remaining Shares") pursuant to this Article 17;
 - 17.2.2 the identity of the Proposed Purchaser;

- 17.2.3 the consideration for which, or the price at which, the Remaining Shares are to be transferred in accordance with Article 17.4 (“Drag Along Consideration”); and
 - 17.2.4 the proposed date of transfer (if known).
- 17.3 A Drag Along Notice:
- 17.3.1 may be revoked by the Selling Members at any time prior to the completion of the sale and purchase of the Remaining Shares; and
 - 17.3.2 shall lapse if for any reason the sale of the Selling Members’ Shares to the Proposed Purchaser is not completed within 40 Business Days of the date of service of the Drag Along Notice (such lapse being without prejudice to the right of the Selling Members to serve any further Drag Along Notice following such lapse).
- 17.4 Subject to Article 17.5, the Drag Along Consideration shall be the same consideration per Remaining Share as that paid or payable by, or due from, the Proposed Purchaser in respect of each Share held by all Members other than the Remaining Members, which consideration together in aggregate shall be the Realisation Value for the purposes of calculating the allocation of that Realisation Value amongst the Members in accordance with Article 5.
- 17.5 Prior to completion of the sale and purchase of the Remaining Shares, the Investor Majority may direct by notice in writing to the Company that any Remaining Member who, at the date of the Drag Along Notice, is bound to give or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name (including, for the avoidance of doubt, a Compulsory Transfer Notice) is paid the cash equivalent of any non-cash consideration due to the Selling Members from the Proposed Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to a Remaining Member either on completion or at the same time as the relevant non-cash consideration is received by the Selling Members at the absolute discretion of the Investor Majority. The decision of the Investor Majority as to the amount of any cash consideration in lieu of any non-cash consideration shall be final and binding on the Company and all the Members.
- 17.6 Upon the service of a Drag Along Notice each Remaining Member is required, as a legally binding commitment, not to divulge or communicate to any third party either the fact that the Selling Members wish to transfer their Shares to the Proposed Purchaser (or any other person) or any other information concerning the sale and purchase of any of the Selling Members’ Shares or the Remaining Shares pursuant to this Article 17.
- 17.7 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Members’ Shares or such later date, being not more than 20 Business Days after the date of such completion, as the Investor Majority may direct in writing.
- 17.8 Upon service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed each of the Selling Members (severally) as the agent of the Remaining Member to execute, in the name of and on behalf of that Remaining Member, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Member and to do such

other things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this Article 17.

17.9 The provisions of this Article 17 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, the rights of pre-emption and other restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Proposed Purchaser named in a Drag Along Notice (or as that Proposed Purchaser may direct). Any Transfer Notice or Compulsory Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with Article 15 shall automatically be revoked by the service of a Drag Along Notice.

17.10 Where at any time after the service of a Drag Along Notice but before completion of the sale and purchase of the Remaining Shares by the Proposed Purchaser, any person ("New Member") becomes a registered holder of any Share pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the then current Drag Along Notice, shall immediately be deemed to have been served upon that New Member. Upon the deemed service of a Drag Along Notice pursuant to this Article 17.10 the New Member shall become bound to sell and transfer to the Proposed Purchaser (or as the Proposed Purchaser may direct) any Share acquired by him as a result of the exercise of any such option, warrant or other right to subscribe for or acquire Shares. The provisions of this Article 17 shall apply mutatis mutandis to the sale of any such Shares by such New Member provided that completion of the sale and purchase of those Shares shall take place on whichever is the later of:

17.10.1 the date on which a Drag Along Notice is deemed to have been served on the New Member pursuant to this Article 17.10; and

17.10.2 the date of completion of the sale and purchase of the Remaining Shares pursuant to the original Drag Along Notice.

18 TAG ALONG

18.1 Subject to Article 17 and save in the case of a transfer of Shares which is permitted in accordance with Articles 14.1, 14.3, 14.4, 14.5 or 14.6, otherwise notwithstanding any other provision hereof, no sale or other disposition of any Shares ("Committed Shares") which would result in a Change of Control shall be made or registered unless before the transfer is lodged for registration:

18.1.1 the Investor Majority has consented to such transfer; and

18.1.2 the relevant Third Party Purchaser has made a bona fide offer ("Tag Along Offer") by notice in writing ("Tag Along Notice") to acquire, in accordance with this Article 17.10.2, from all the Members other than the Third Party Purchaser (or persons connected with or acting in concert with him) all the Shares which are not Committed Shares ("Uncommitted Shares") for the consideration, or at the price, ("Tag Along Consideration") calculated in accordance with Articles 18.3 and 18.4.

18.2 A Tag Along Notice shall:

18.2.1 state the Tag Along Consideration (subject to Article 18.4);

- 18.2.2 state the identity of the relevant Third Party Purchaser;
 - 18.2.3 invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer; and
 - 18.2.4 subject to Article 18.4.1, expire, and the offer made in that notice shall be deemed to be withdrawn, on the date (being not less than five nor more than 20 Business Days after the date of the Tag Along Notice) specified in that notice.
- 18.3 For the purposes of this Article 17.10.2 the Tag Along Consideration shall be the same consideration per Uncommitted Share as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Committed 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 consideration given in respect of the Committed Shares.
- 18.4 If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Uncommitted Shares within 10 Business Days of the date of the Tag Along Notice, such matter shall be referred for determination to the Expert (in accordance with Article 32) and, pending their determination:
- 18.4.1 the period specified in the Tag Along Notice for acceptance of the Tag Along Offer shall not start to run until such time as the Expert's determination of the Tag Along Consideration is served on the Third Party Purchaser and the Members holding Uncommitted Shares; and
 - 18.4.2 the sale or transfer of the Committed Shares shall have no effect and shall not be registered.
- 18.5 Upon agreement or determination of the Tag Along Consideration, such Tag Along Consideration together with the consideration or price due in respect of the Committed Shares shall together in aggregate be the Realisation Value for the purposes of calculating the allocation of that Realisation Value amongst the Members in accordance with Article 5.

19 GENERAL MEETINGS

- 19.1 Without prejudice to the provisions of sections 302 and 288(3) of the Act, any Investor Director acting alone may call a general meeting of the Company or propose a written resolution of the Company (and the provisions of section 291 of the Act shall apply to any such proposed written resolution).
- 19.2 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Three Members, two of whom shall be any of Praetura, DBW and MGL, present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.
- 19.3 Article 40(2) of the Model Articles shall be amended by the insertion of the following words at the start of that Article: "*Subject to the consent of the Investor Majority,*".

- 19.4 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that Article: *"If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the Member(s) present (either in person, by proxy or by a duly appointed corporate representative) shall constitute a quorum"*.
- 19.5 Any Member, having the right to attend and vote at the meeting in question and who is present at that meeting in person, by proxy or by a duly appointed corporate representative, may demand a poll. Article 44(2) of the Model Articles shall not apply to the Company.
- 19.6 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that Article: *"A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made"*.
- 19.7 Article 45(1) of the Model Articles shall be amended as follows:
- 19.7.1 by the deletion of the words in Article 45(1)(d) and the insertion in their place of the following: *"is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"*; and
- 19.7.2 by the insertion of the following as a new paragraph at the end of Article 45(1): *"and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting"*.
- 19.8 The Company shall not be required to give notice of a general meeting to a Member:
- 19.8.1 whose registered address is outside the United Kingdom unless he has provided an address for service within the United Kingdom; or
- 19.8.2 for whom the Company no longer has a valid United Kingdom address.

20 APPOINTMENT AND REMOVAL OF DIRECTORS

- 20.1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not be less than two and is not subject to any maximum.
- 20.2 The office of a Director (other than an Investor Director) shall automatically be vacated, and the Director in question shall be deemed to have resigned, upon:
- 20.2.1 in the case of an executive Director only, that Director ceasing for any reason whatsoever to be employed by the Company or any other Group Company in circumstances where he does not remain, or immediately become, an employee of another Group Company;
- 20.2.2 that Director failing to take part in any directors' decisions for a period of more than six consecutive months and the Directors, with the consent of an Investor Director, resolving that his appointment as a Director should terminate (and the

director in question shall not be an Eligible Director for the purposes of such resolution of the Directors); or

20.2.3 all the other Directors requesting his resignation by notice in writing or Member(s) holding more than 50% of the total voting rights normally exercisable at any general meeting of the Company requesting his resignation by notice in writing. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more persons) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors, with the consent of an Investor Director, for this purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.

20.3 Article 18 of the Model Articles shall be extended accordingly.

21 RIGHTS TO APPOINT DIRECTORS AND OBSERVERS

21.1 Praetura may, from time to time and on more than one occasion:

21.1.1 appoint one person to be a non-executive director of the Company (a “Praetura Director”) and, from time to time and on more than one occasion, remove any such person appointed by them;

21.1.2 appoint one person as an observer, to attend, observe or speak (but, for the avoidance of doubt, not vote) at meetings of the Directors and, from time to time and on more than one occasion, remove any such person appointed by them.

21.2 DBW may, from time to time and on more than one occasion:

21.2.1 appoint one person to be a non-executive director of the Company (a “**DBW Director**”) and, from time to time and on more than one occasion, remove any such person appointed by them;

21.2.2 appoint one person as an observer, to attend, observe or speak (but, for the avoidance of doubt, not vote) at meetings of the Directors and, from time to time and on more than one occasion, remove any such person appointed by them.

21.3 MGL may, from time to time and on more than one occasion:

21.3.1 appoint one person to be a non-executive director of the Company (a “**MGL Director**”) and, from time to time and on more than one occasion, remove any such person appointed by them;

21.3.2 appoint one person as an observer, to attend, observe or speak (but, for the avoidance of doubt, not vote) at meetings of the Directors and, from time to time and on more than one occasion, remove any such person appointed by them.

21.4 Any appointment or removal pursuant to Articles 21.1, 21.2 or 21.3 shall be by notice in writing to the Company. Such notice (which may consist of several documents signed by or on behalf of one or more Members) must be left at or sent by post to the registered office of the Company and the appointment or removal (as the case may be) shall take

effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.

- 21.5 Subject to section 168 of the Act, on any resolution to remove an Investor Director the Ordinary Shares held by the relevant Investor shall together carry one vote in excess of 50% of all the other votes exercisable in relation to such resolution and if any such Investor Director is removed pursuant to section 168 of the Act or otherwise the Investor Majority may reappoint him or any other person as an Investor Director.
- 21.6 With written consent from the Investor Majority, the Company shall procure that any Investor Director who requests to be a director of a Group Company is appointed as a director of any other Group Company indicated in such request.
- 21.7 If at any time there is no Investor Director serving on behalf of either Praetura, DBW or MGL, or the relevant serving Investor Director declines to give a decision on any matter, then any matter in these Articles requiring the consent or approval of the Investor Director(s) may be consented to or approved by the relevant Investor and any notice, information, document or other matter or thing required to be given or delivered to the Investor Director(s) shall be given or delivered to each Investor.
- 21.8 An Investor Director (and any alternate Director appointed by him from time to time) shall be entitled to make such disclosure to the relevant investor in relation to the business and affairs of the Group as he may, in his absolute discretion, see fit.
- 21.9 Article 12(1) to 12(3) of the Model Articles shall not apply to the Company.

22 ALTERNATE DIRECTORS

- 22.1 Subject to Article 22.2, any Director (in this Article 22, an “appointor”) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
 - 22.1.1 exercise that director’s powers; and
 - 22.1.2 carry out that director’s responsibilities,in relation to taking of decisions by the Directors, in the absence of the alternate’s appointor.
- 22.2 The appointment by an Investor Director of an alternate director shall not be subject to approval by resolution of the Directors.
- 22.3 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 with the consent of an Investor Director.
- 22.4 The notice must:
 - 22.4.1 identify the proposed alternate; and
 - 22.4.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

- 22.5 An alternate Director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 22.6 Save as provided otherwise in these Articles, alternate Directors:
- 22.6.1 are deemed for all purposes to be Directors;
 - 22.6.2 are liable for their own acts and omissions;
 - 22.6.3 are subject to the same restrictions as their appointors; and
 - 22.6.4 are not deemed to be agents of or for their appointors,
- and, in particular, each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.
- 22.7 A person who is an alternate Director but not a Director:
- 22.7.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - 22.7.2 may participate in a unanimous decision of the Directors (if his appointor is an Eligible Director in relation to that decision and does not himself participate); and
 - 22.7.3 shall not be counted as more than one Director for the purposes of Articles 22.7.1 and 22.7.2.
- 22.8 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for purposes of determining a quorum.
- 22.9 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 22.10 The appointment of an alternate Director terminates:
- 22.10.1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate;
 - 22.10.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
 - 22.10.3 on the death of the alternate's appointor;
 - 22.10.4 when the appointment of the alternate's appointor as a Director terminates; or

22.10.5 when written notice from the alternate, resigning his office, is received by the Company.

23 REMUNERATION AND AUDIT COMMITTEES

23.1 Without prejudice to the provisions of Article 5(1) of the Model Articles any remuneration committee and/or an audit committee will be convened and shall operate in accordance with the directions of the Directors, at all times acting in accordance with the Investment Agreement.

23.2 The Investor Directors and/or observers appointed by the relevant Investors shall receive notice of and be entitled to attend and speak at any remuneration committee and/or an audit committee convened and to be appointed to any such committee if required by the Investors.

24 PROCEEDINGS OF DIRECTORS

24.1 Decisions of the directors may be taken either:

24.1.1 by a majority at a board meeting; or

24.1.2 by a Directors' written resolution made in accordance with Articles 24.3 and 24.4.

24.2 Articles 7(1) and 8 of the Model Articles shall not apply to the Company.

24.3 Any Director may propose a Directors' written resolution and the company secretary (if any) must propose a Directors' written resolution if a Director so requests. A Directors' written resolution is proposed by notice in writing of the proposed Directors' written resolution being given to each Director indicating the proposed resolution and the time by which it is proposed that the Directors should adopt it. Any decision which a person giving notice of a Directors' proposed written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

24.4 A proposed Directors' written resolution is adopted when all the Eligible Directors in relation to the resolution(s) contained in the proposed Directors' written resolution have signed one or more copies of it, provided that those Eligible Directors would have formed a quorum at a meeting of the Directors to consider such resolution(s). It is immaterial whether a Director signs the resolution before or after the time by which the notice proposed.

24.5 Two Eligible Directors, of whom (i) one shall be a Praetura Director (unless no Praetura Director has been appointed or the Praetura Director is not an Eligible Director in relation to the relevant meeting) and (ii) one shall be either a DBW Director or a MGL Director, present either in person or by a duly appointed alternate, shall be a quorum. If a quorum is not present within 30 minutes of the time specified in the relevant notice for commencement of the meeting, the meeting shall stand adjourned for the same time and place on the third Business Day thereafter. If at such adjourned meeting (other than a meeting as is referred to in Article 24.6) a quorum is not present, any two Eligible Directors may form a quorum.

24.6 For the purpose of any meeting held to authorise a director's conflict of interest under Article 26 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. For the purpose

of any meeting held to consider a decision referred to in Article 24.9, the quorum for such a meeting shall be one Praetura Director. Article 11(2) of the Model Articles shall not apply to the Company.

24.7 If the number of votes cast for and against a proposal at a Directors' meeting are equal the chairman shall not have a casting vote. Article 13 of the Model Articles shall not apply to the Company.

24.8 Not less than five Business Days' notice of a Directors' meeting must be given to each Director in writing provided that the requirements of this Article may be waived or varied, subject to the written consent of the Investor Majority, with the prior approval of all Eligible Directors. Article 9(3) of the Model Articles shall not apply to the Company.

24.9 Where any decision is to be made by the Company or any Group Company in relation to:

24.9.1 the exercise, enforcement or waiver of any of its rights under, or the giving of any consent under the Investment Agreement;

24.9.2 the exercise, enforcement or waiver of any rights against a Member holding Ordinary Shares and/or A Ordinary Shares or a Director (or any person connected with any such Member or Director),

then, notwithstanding any other provision of these Articles, if an Investor Director is appointed for the time being then no meeting of the Directors at which any such decision will be considered shall be quorate unless all Investor Directors are present in person and at such meeting only the Investor Directors shall be entitled to vote. The Investor Directors shall have exclusive conduct of any proceedings of any nature arising in connection with any such rights and no other Director shall have power to take any decision or settle or compromise any claim in relation to such matters.

24.10 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers to a person or committee with the prior consent of the Investor Majority. Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "*may*": "*with the consent of the Investor Majority*".

24.11 Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "*may*": "*with the consent of the Investor Majority*".

24.12 Article 51 of the Model Articles shall be amended by the insertion of the following words at the start of that Article: "*Subject to the consent of the Investor Majority,*"

24.13 Article 4(1) of the Model Articles shall be amended by the insertion of the following words at the start of that Article: "*Subject to the consent of the Investor Majority,*".

25 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

25.1 Subject to sections 177 and 182 of the Act and, save in the case of an Investor Director, subject to the consent of the Investor Majority, and provided (in any case) he has declared the nature and extent of his interest in accordance with the requirements of

the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

- 25.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 25.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 25.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested;
- 25.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- 25.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 25.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

25.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

26 **DIRECTORS' CONFLICTS OF INTEREST**

- 26.1 Subject to the consent of the Investor Majority (other than in relation to an Investor Director), the Directors may, in accordance with the requirements set out in this Article 26, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid situations which conflict or possibly may conflict with the interests of the Company (a Conflict).
- 26.2 Any authorisation under this Article will be effective only if:
 - 26.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors, with the consent of an Investor Director may determine;
 - 26.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

- 26.2.3 the matter was agreed to without the Director in question voting or would have been agreed to if his vote had not been counted; and
 - 26.2.4 save where the Director in question is an Investor Director, an Investor Director consents to the authorisation.
- 26.3 Any authorisation of a Conflict under this Article 26 shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded) and may, whether at the time of giving the authorisation or subsequently:
- 26.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - 26.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
 - 26.3.3 be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 26.4 In authorising a Conflict, Directors may decide (at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 26.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
 - 26.4.2 use or apply any such information in performing his duties as a Director,
- where to do so would amount to a breach of that confidence.
- 26.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, and they will so provide if directed to do so by an Investor Majority in either case without limitation, that the Director:
- 26.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
 - 26.5.2 is not given any documents or other information relating to the Conflict; and
 - 26.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 26.6 Where the Directors authorise a Conflict:
- 26.6.1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
 - 26.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

26.7 An Investor Director may, notwithstanding his office, be a director or other officer of, or employed by or otherwise interested in:

26.7.1 any Group Company;

26.7.2 the relevant Investor;

26.7.3 any company which is for the time being a subsidiary or holding company of the relevant Investor or another subsidiary of such holding company; or

26.7.4 any investment fund or co-investment plan of the relevant Investor for whom Ordinary Shares are held; or

26.7.5 a manager, custodian, nominee or trustee for, or general partner of, any investment fund or co-investment plan of the relevant Investor for whom Ordinary Shares are held,

and no authorisation under Article 26.1 shall be necessary in respect of such interest.

26.8 A Director other than an Investor Director may, notwithstanding his office, be a Member or director or officer of, or employed by or interested in any Group Company and no authorisation under Article 26.1 shall be necessary in respect of such interest.

26.9 A Director is not required, by reason of being a director (or the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

27 **DIRECTORS' BENEFITS**

27.1 Article 19(2) of the Model Articles shall be amended by the insertion of the following words at the start of that Article: "*Subject to the consent of the Investor Majority*".

27.2 Article 19(3) of the Model Articles shall be amended by the insertion of the following words at the start of that Article "*Subject to the consent of the Investor Majority and*".

27.3 Article 20 of the Model Articles shall be amended by the insertion of the following words at the start of that Article: "*Subject to the consent of the Investor Majority,*".

28 **SECRETARY**

Subject to the consent of the Investor Majority, Directors may appoint any person who is willing to act as the Secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.

29 SERVICE OF DOCUMENTS

29.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

29.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

29.1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, five Business Days after posting provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;

29.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

29.1.4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

29.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article 29.1, no account shall be taken of any part of a day that is not a working day.

29.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

30 INDEMNITY

30.1 Subject to Article 30.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

30.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

30.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

30.1.1.2 in relation to the activities of the Company (or any Group Company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer,

relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any Group Company); and

30.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 30.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

30.2 This Article 30 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

30.3 In this Article 30 and in Article 31 a “relevant officer” means any director or other officer or former director or other officer of the Company or any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

30.4 Article 52 of the Model Articles shall not apply to the Company.

31 INSURANCE

31.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any Group Company or any pension fund or employees’ share scheme of the Company or Group Company.

31.2 Article 53 of the Model Articles shall not apply to the Company.

32 DISPUTES

32.1 Where these Articles provide for any matter or dispute to be determined by the Expert, such matter or dispute shall be referred, at the request of any Member or Director, to the Auditors provided that in the circumstances referred to in Article 32.2 such matter or dispute shall be referred to an independent chartered accountant nominated in writing for this purpose by the Investor Majority.

32.2 The circumstances referred to in Article 32.1 are:

32.2.1 where the Auditors are unable or unwilling to act in connection with the relevant reference; or

32.2.2 where, within 10 Business Days of the Company notifying the Investor Majority that a matter or dispute is to be referred to an Expert in accordance with these Articles, the Investor Majority directs in writing that instead of being referred to the Auditors the relevant matter or dispute shall be referred to the independent chartered accountant nominated by the Investor Majority in their direction and, for this purpose, the Company undertakes to notify the Investor Majority of any such proposed referral to an Expert.

32.3 The Expert shall be engaged on terms agreed between the relevant Expert, the Directors (with the prior approval of the Investor Majority) provided that if such terms are not so agreed within 10 Business Days of the Expert being instructed, the Expert

shall be engaged on such terms as may be agreed between the Expert and the Investor Majority (acting reasonably). For the purposes of agreeing the terms of the Expert's engagement pursuant to this Article 32.3, the Directors (with the prior approval of the Investor Majority) shall act as agent for the Company and each relevant Member.

- 32.4 The Company and any relevant Members shall supply the Expert with any information which he may reasonably request in connection with his determination. The Company and any relevant Members shall be entitled to make written submissions to the Expert provided that a copy of any such written submissions is also simultaneously delivered to the other relevant parties. The Expert shall give due weight to any such written submission which is received by the Expert within such time limit as he may determine and have notified to the relevant parties.
- 32.5 The decision of the Expert (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Members.
- 32.6 The cost of any reference to the Expert shall be borne as directed in the relevant Article or, where no such direction is given, by the party or parties named by the Expert (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Expert, equally by the parties concerned.

33 CHANGE OF NAME

Subject to the consent of the Investor Majority, the name of the Company may be changed by a decision of the Directors.

34 PURCHASE OF OWN SHARES OUT OF CASH

Subject to the consent of the Investor Supermajority, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.