

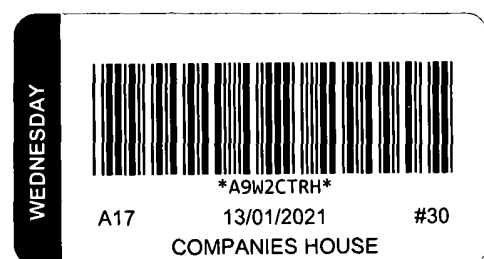
Company no. 10704431

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
PROSAPIENT LIMITED

(adopted by a special resolution passed on 7 December 2020)

1. INTRODUCTION

- 1.1 The articles of association of the Company (the "**Articles**") shall comprise the regulations contained herein together with the model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**"), save insofar as they are excluded or modified by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - (c) Articles 5, 6, 7, 8, 11(2) and (3), 12, 13, 14, 16, 17(2), 17(3), 19, 20, 21, 22, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 32, 38, 44(2), 44(4), 50, and 51 to 53 (inclusive) of the Model Articles shall not apply to the Company;
 - (d) reference to "**issued Shares**" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - (e) reference to the "**holders**" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.
- 1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of the Smedvig Director under these Articles, if at any time the Smedvig Director has not been appointed or the Smedvig Director declares in writing to the Company that he or she considers that providing such consent gives rise or may give rise to a conflict of interest to his or her duties as a Director, such action or matter shall require the consent of the Smedvig Investor.



- 1.5 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of the 24H Director under these Articles, if at any time the 24H Director has not been appointed or the 24H Director declares in writing to the Company that he or she considers that providing such consent gives rise or may give rise to a conflict of interest to his or her duties as a Director, such action or matter shall require the consent of 24H.
- 1.6 Where there is reference to Series A Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as converted basis if the Conversion Ratio has been adjusted.

2. DEFINITIONS AND INTERPRETATION

- 2.1 In these Articles, the following words and expressions shall have the following meanings:

"24H" means 24Haymarket Nominees Limited, a company incorporated in England and Wales with registered number 09897603 and registered office 24 Haymarket 1-2 Panton Street, London, United Kingdom, SW1Y 4DG;

"24Haymarket" means 24Haymarket Limited, a company incorporated in England and Wales with registered number 07936588 and having its registered office at 24Haymarket, 1-2 Panton Street, London, United Kingdom, SW1Y 4DG;

"24H Director" has the meaning set out in Article 29.4;

"24H Member(s)" means (i) any member of the 24Haymarket investor network, including 24H and any underlying beneficiaries and their Permitted Transferees (and including when such person holds Equity Shares through 24H), and (ii) any approved or unapproved EIS fund managed or advised by 24Haymarket or one of its Group Companies from time, and any persons investing through such fund;

"A Ordinary Shares" means the A ordinary shares of £0.00001 each in the capital of the Company from time to time;

"Accepting Shareholder" has the meaning set out in Article 21.5;

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

"acting in concert" has the meaning set out in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

"Actions" has the meaning set out in Article 6.2;

"Additional Secondary Sale Shares" means up to 165,000 Ordinary Shares as may be transferred to the Smedvig Investor by the shareholders of the Company during the period from the Date of Adoption up until the first anniversary of the Date of Adoption;

"Adjustment Event" means any issue of shares or other securities of the Company by way of capitalisation of profits or reserves, or any consolidation or sub-division of shares, in each case, which takes place after the Date of Adoption;

"Allocation Notice" has the meaning set out in Article 17.7(a);

"Anti-Dilution Shares" has the meaning set out in Article 10.1;

"Applicant" has the meaning set out in Article 17.7(a);

"Appointor" has the meaning set out in Article 27.1;

"Asset Sale" means the disposal, sale, lease, transfer, exclusive licence or other disposition by the Company of all or substantially all of its undertaking and assets and, for these purposes, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business on terms that the Company may not use that intellectual property shall be considered a disposal of those intellectual property rights;

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- (b) any Member of the Same Group;
- (c) any Member of the Same Fund Group;

"Auditors" mean the auditors or reporting accountants of the Company from time to time;

"Available Profits" means profits available for distribution within the meaning of Part 23 of the Act;

"Bad Leaver" means an Owner Manager if he or she ceases to be an Employee as a consequence of:

- (a) that Owner Manager terminating his or her contract of employment or consultancy agreement (as the case may be) (with or without notice) where such termination takes effect prior to the second anniversary of the Commencement Date (except in circumstances (i) due to ill health of the relevant Owner Manager as certified to the Board's reasonable satisfaction by an independent doctor, (ii) where such resignation is due to the death of the Owner Manager or (iii) where such termination is determined by an employment tribunal or at a court of competent jurisdiction (in each case, from where there is no right of appeal) to have amounted to a constructive dismissal); or
- (b) termination by the Company of (or where the Company would have been entitled to terminate) that Owner Manager's contract of employment or consultancy agreement (as the case may be) for Cause.

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

"Bonus Issue" or **"Reorganisation"** means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the holders of Series A Shares), any issue of Anti-Dilution Shares or any

consolidation or sub-division or re-denomination or any repurchase or redemption of shares (other than Series A Shares) or any variation in the subscription price or conversation ratio applicable to any other outstanding shares of the Company;

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

"Buyer" has the meaning set out in Article 23.2(a);

"Call" has the meaning set out in Article 37.1;

"Call Notice" has the meaning set out in Article 37.1;

"Call Payment Date" has the meaning set out in Article 37.10(a);

"Called Shareholder" has the meaning set out in Article 22.1;

"Called Shares" has the meaning set out in Article 22.2(a);

"Cause" means:

- (a) gross misconduct or a repudiatory breach of terms of the Owner Manager's relevant contract of employment or consultancy agreement (as the case may be) (including without prejudice to the generality of the foregoing of any obligations in respect of confidentiality, intellectual property and/or any applicable restrictive covenants), and including where any such dismissal is determined by a court or employment tribunal of competent jurisdiction as being unfair by virtue of a failure to follow procedure;
- (b) fraud or dishonesty;
- (c) being convicted of, or entering a plea of no contest to, a criminal offence other than any summary offence for which the penalty is not imprisonment and/or any minor road traffic offence; and/or
- (d) if the Owner Manager is a Director of the Company, that individual is disqualified from acting as a director or is otherwise prohibited by law from acting as a director, but excluding circumstances where such disqualification or prohibition arises as a result of personal insolvency arising from an individual's holding of property (and any charges, mortgages or other third-party encumbrances related to such property) for investment and/or development purposes;

"Chairperson" has the meaning set out in Article 29.6;

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Commencement Date" means 13 June 2019;

"Company" means ProSapient Limited (company number 10704431);

"Company's Lien" has the meaning set out in Article 36.1;

"Conditions" has the meaning set out in Article 9.1;

"connected" has the meaning given in section 252 of the Act;

"Controlling Interest" means an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;

"Conversion Date" has the meaning set out in Article 9.1 or 12.6 (as applicable);

"Conversion Ratio" has the meaning set out in Article 9.6;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted;

"Deferred Shares" means deferred shares of £0.000001 each in the capital of the Company;

"Default Hurdle Amount" means £50.00 per share;

"Director(s)" means the directors of the Company from time to time and **"Director"** shall mean any one of them;

"Drag Along Completion Date" has the meaning set out in Article 22.6;

"Drag Along Notice" has the meaning set out in Article 22.2;

"Drag Along Option" has the meaning set out in Article 22.1;

"Drag Consideration" has the meaning set out in Article 22.4;

"Drag Documents" has the meaning set out in Article 22.6;

"Drag Purchaser" has the meaning set out in Article 22.1;

"Effective Termination Date" means the date on which an Owner Manager's employment or consultancy terminates;

"electronic address" has the same meaning as in section 333 of the Act;

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on the matter had it been proposed as a resolution at a meeting of the Directors;

"Employee" means an individual who is employed by or who provides consultancy services to the Company or any member of the Group;

"Encumbrance" means any claim, charge, mortgage, pledge, hypothecation, retention of title, lien, equity, option, power of sale, right of pre-emption, right of first refusal or any other third party right or security interest of any kind or any agreement, arrangement, obligation or commitment to create any of the foregoing;

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act and an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;

"Equity Holder" has the meaning set out in Article 23.2;

"Equity Shares" means the Shares other than the Deferred Shares;

"Exercising Investor" has the meaning set out in Article 10.1;

"Exit" means a Share Sale, an Asset Sale or an IPO;

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

"Fair Value" is as determined in accordance with Article 18;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

"Financial Year" has the meaning set out in section 390 of the Act;

"Fractional Holders" has the meaning set out in Article 9.9 or 12.12 (as applicable);

"Fund" means a limited partnership, limited liability partnership, partnership, company, syndicate, body corporate, trust or other undertaking or entity formed for the purpose of investment, whose principal business is to make investments, or whose business is managed by a Fund Manager;

"Fund Manager" means a person whose principal business is to make, manage or advise on investments in securities;

"Good Leaver" means the Owner Manager if he ceases to be an Employee at any time and is not a Bad Leaver or an Intermediate Leaver or where the Board (acting with Smedvig Director Consent) determines such person is a Good Leaver;

"Good Leaver Owner Manager Shares" means in relation to each Owner Manager:

- (a) 62,087 Ordinary Shares as at the Date of Adoption for Margaryta Polishchuk; and

(b) 63,000 Ordinary Shares as at the Date of Adoption for Jordan Shlosberg;

"Good Leaver's Percentage" means, in relation to and for the purposes of determining the number of Good Leaver Owner Manager Shares that are required (pursuant to Article 20) to be transferred as a result of the relevant Owner Manager ceasing to be an Employee in circumstances where he or she is a Good Leaver, as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date such that the Good Leaver's Percentage shall be zero on the first day of the 49th month after the Date of Adoption and thereafter;

"Group" the Company and its Subsidiary Undertaking(s) time to time and **"Group Company"** shall be construed accordingly;

"Growth Shareholders" means the holders from time to time of the Growth Shares and **"Growth Shareholder"** means any one of them as the context requires;

"Growth Shares" means the growth shares of £0.000001 each in the capital of the Company from time to time;

"Growth Share Subscription Agreement" means any agreement entered into between the Company and any person from time to time pursuant to which the Company agrees to allot and issue Growth Shares or pursuant to which the Company agrees to grant an option to acquire Growth Shares or which the Board (acting with Smedvig Director Consent) has designated or elects to treat as a Growth Share Subscription Agreement for the purposes of these Articles;

"hard copy form" has the same meaning as set out in section 1168 of the Act;

"Holding Company" means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Hurdle Amount" means in respect of a Growth Share:

- (a) subject to sub-paragraph (b) below, the Default Hurdle Amount; or
- (b) any per share hurdle amount determined by the Board (acting with Smedvig Director Consent) in connection with the allotment or issue of the relevant Growth Share, or the grant of an option over such Growth Share, as evidenced by the minutes of the relevant meeting of the Board or any agreement entered into at or around the time of issue of the relevant Growth Share (including but not limited to any Growth Share Subscription Agreement or option agreement);

provided that the Hurdle Amount may be adjusted from time to time by the Board in such manner as it may determine, acting fairly and reasonably, in order to take into account any Adjustment Event, acquisition, disposal, distribution or sale of less than all of the outstanding Shares of the Company (or any other event or circumstance which relates to

or affect the Company's share capital or value thereof), in each case which occurs after the Date of Adoption;

"Independent Non-Executive Directors" has the meaning set out in Article 29.5 and **"Independent Non-Executive Director"** shall mean any one of them;

"Institutional Investor" has the same meaning set out in the Shareholders' Agreement;

"Interested Director" has the meaning set out in Article 32.5;

"Intermediate Leaver" means an Owner Manager who is not a Bad Leaver but who ceases to be an Employee after the second anniversary of the Commencement Date as a result of that Employee terminating his or her employment or consultancy agreement (as the case may be) by serving notice, save in circumstances where:

- (a) such termination is determined by an employment tribunal or at a court of competing jurisdiction (in each case, from where there is no right of appeal) to be unfair dismissal in accordance with section 95(1)(c) of the ERA (in which case the Employee will be deemed to be a Good Leaver); or
- (b) the Board, with Smedvig Director Consent, determine that he or she is a Good Leaver;

"Intermediate Leaver's Percentage" means, in relation to and for the purposes of determining the number of Owner Manager Shares that are required (pursuant to Article 20) to be transferred as a result of the relevant Owner Manager ceasing to be an Employee in circumstances where he or she is an Intermediate Leaver, as calculated using the formula below:

$$50 - ((1/41 \times 50) \times NM),$$

where NM = number of full calendar months from the second anniversary of the Commencement Date to the Effective Termination Date such that the Intermediate Leaver's Percentage shall be zero on the first day of the 42nd month after the Date of Adoption and thereafter;

"Investment Fund" means a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager;

"Investor Majority" means the holders of more than fifty per cent (50%) of the Equity Shares held by the Institutional Investors;

"Investor Majority Consent" means the prior written consent of an Investor Majority;

"IPO" means the admission of all or any of the Shares or securities representing those shares (including, without limitation, depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

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

"Issue Price" means the subscription price paid (or agreed to be paid) in respect of a Share, including any share premium;

"Lien Enforcement Notice" has the meaning set out in Article 36.4(a);

"Member of the Same Fund Group" means, if a Shareholder is an Investment Fund, or a nominee of an Investment Fund:

- (a) any participant or partner in, or member of, any such Investment Fund, or the holders of any unit trust which is a participant or partner in (or member of) any such Investment Fund (but only in connection with the dissolution of such Investment Fund, or any distribution of assets of the Investment Fund in the ordinary course of that Investment Fund's business);
- (b) the Fund Manager of that Fund;
- (c) any Investment Fund managed or advised by that Fund Manager;
- (d) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (e) any trustee, nominee or custodian of such Investment Fund and vice versa;

"Member of the Same Group" means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking, or a trustee, nominee or custodian of any such company and vice versa;

"Model Articles" has the meaning set out in Article 1.1;

"NASDAQ" means the NASDAQ Stock Market of the NASDAQ QMX Group Inc.;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article) and excluding any Treasury Shares transferred by the Company after the Date of Adoption;

"New Shareholder" has the meaning set out in Article 22.11;

"Offer" has the meaning set out in Article 21.2;

"Offer Period" has the meaning set out in Article 21.3;

"Offer By Way Of Rights" has the meaning set out in Article 9.11;

"Ordinary Shares" means the ordinary shares of £0.000001 each in the capital of the Company from time to time;

"Original Shareholder" has the meaning set out in Article 16.1;

"Owner Manager Directors" has the meaning set out in Article 29.1;

"Owner Manager Shares" means all Ordinary Shares held by the Owner Managers and any Permitted Transferee of the relevant Owner Manager other than those Shares held by those persons that the Board (acting with Smedvig Director Consent) declares are satisfied were not acquired directly or indirectly from the relevant Owner Manager or by reason of that person's relationship with the relevant Owner Manager;

"Owner Managers" means Margaryta Polishchuk and Jordan Shlosberg and **"Owner Manager"** means any one of them;

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

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the Same Group as that undertaking;
- (c) in relation to a Shareholder which is an Investment Fund, any Member of the Same Fund Group;
- (d) in relation to an Institutional Investor:
 - (i) any Member of the Same Group;
 - (ii) any Member of the Same Fund Group;
 - (iii) any other Institutional Investor;
 - (iv) any nominee of the Institutional Investor;
 - (v) in relation to the Smedvig Investor or any Smedvig Investor Associate to a Smedvig Investor Internal Permitted Transferee or to any member of the Smedvig Investor Group;
 - (vi) any 24H Member, to any other 24H Member;
 - (vii) by 24H (as the legal owner of the Equity Shares) to the 24H Member (beneficially entitled to the Equity Shares) and vice versa;
 - (viii) by 24H (as the legal owner of the Shares) to any replacement nominee appointed from time to time by 24H or Investment Fund (as may be directed by 24H from time to time).
- (e) in relation to any Shareholder transferring any Shares which constitute Additional Secondary Sale Shares, the Smedvig Investor;

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

"Proceeds of Sale" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale;

"Proposed Exit" has the meaning set out in Article 6.2;

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Sale Date" has the meaning set out in Article 21.3;

"Proposed Sale Notice" has the meaning set out in Article 21.3;

"Proposed Sale Shares" has the meaning set out in Article 21.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning set out in Article 21.1;

"Qualifying Company" means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 112 of the CTA 2010);

"Qualifying Issue" has the meaning set out in Article 10.1;

"Qualifying Person" has the meaning given in section 318(3) of the Act;

"Relevant Interest" has the meaning set out in Article 32.5;

"Relevant Rate" has the meaning set out in Article 37.10(b);

"Relevant Transferor" has the meaning set out in Article 23.1;

"Restricted Member" has the meaning set out in Article 20.4;

"Restricted Shares" has the meaning set out in Article 20.5;

"Sale Agreement" has the meaning set out in Article 22.2(d);

"Sale Shares" has the meaning set out in Article 17.2(a);

"Secondary Sale Shares" means the 224,690 Ordinary Shares in aggregate to be transferred by certain existing shareholders of the Company to the Smedvig Investor (which shall be re-designated into Series A1 Shares on a one-for-one basis immediately before completion of the transfers) pursuant to the terms of certain share purchase agreements entered into on 2020;

"Seller" has the meaning set out in Article 17.2;

"Sellers' Shares" has the meaning set out in Article 22.1;

"Selling Shareholders" has the meaning set out in Article 22.1;

"Separately Priced Subset" has the meaning set out in Article 10.2;

"Series A Issue Price" means the Series A1 Issue Price and Series A2 Issue Price;

"Series A Shares" means the Series A1 shares and the Series A2 Shares;

"Series A1 Issue Price" means the subscription price paid (or agreed to be paid) in respect of a Series A1 Share, including any share premium (and in the case of the Secondary Sale Shares (and any Additional Secondary Sale Shares) it shall mean the total price paid to the sellers, and any premium paid to the Company, in each case, by the Smedvig Investor on the purchase of those shares) (in each case subject to adjustment for any Bonus Issue or Reorganisation as agreed between the Board and a Series A1 Majority);

"Series A1 Majority" means the holders of more than fifty per cent (50%) of the Series A1 Shares;

"Series A1 Shares" means the series A1 shares of £0.000001 each in the capital of the Company;

"Series A2 Issue Price" means the subscription price paid (or agreed to be paid) in respect of a Series A2 Share, including any share premium (subject to adjustment for any Bonus Issue or Reorganisation as agreed between the Board and a Series A2 Majority);

"Series A2 Majority" means the holders of more than fifty per cent (50%) of the Series A2 Shares;

"Series A2 Shares" means the series A2 shares of £0.000001 each in the capital of the Company;

"Share Option Plan" means the share option plan established by the Company on 10 October 2019 (as may be amended from time to time with Smedvig Director Consent);

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

"Shareholder" means any holder of any Shares (but excludes the Company holding Treasury Shares);

"Shareholders' Agreement" means the shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company, the Owner Managers and the Smedvig Investor;

"Shares" means the Series A1 Shares, Series A2 Shares, A Ordinary Shares, Ordinary Shares, Growth Shares and Deferred Shares (if any) in the share capital of Company;

"Smedvig Co-Investment Scheme" means a scheme under which certain officers, employees, members or partners of the Smedvig Investor or its advisor, manager,

operator, nominee or any member of the Smedvig Investor Group are entitled or required (as individuals or through an Investment Fund or any other vehicle) to acquire shares or loan notes or any other security issued by the Company or any other member of the Group;

"Smedvig Director(s)" has the meaning set out in Article 29.3;

"Smedvig Director Consent" means the prior written consent of the Smedvig Director which may be given either in writing or orally at a Board meeting (provided that the same is recorded in the minutes of such meeting) and, if no Smedvig Director has been appointed, the consent of the Smedvig Investor;

"Smedvig Investor" means Smedvig Capital Nominee Limited (or such other entity from time to time acting) as nominee of Smedvig Capital XV LP (and certain other enterprise investment scheme co-investors) and any of their respective Permitted Transferees;

"Smedvig Investor Associate" means in relation to the Smedvig Investor:

- (a) each group undertaking of the Smedvig Investor for the time being;
- (b) any general partner, limited partner or other partner in, or trustee nominee, custodian, operator, manager of, or advisor to, the Smedvig Investor or any of its group undertakings;
- (c) any Investment Fund which has the same general partner, trustee, nominee, custodian, operator, manager or advisor as the Smedvig Investor or any of its group undertakings;
- (d) any Investment Fund in respect of which the Smedvig Investor or any of its group undertakings is a general partner;
- (e) any Investment Fund which is advised, or the assets of which (or some material part thereof) are managed (whether solely or jointly with others), by the Smedvig Investor or any member of the Smedvig Investor Group; and
- (f) any participant in a Smedvig Co-Investment Scheme;

"Smedvig Investor Group" means:

- (a) the Smedvig Investor;
- (b) any Smedvig Investor Associate; and
- (c) in the event that any Investment Fund or Smedvig Investor Associate is dissolved and its assets distributed in specie, the current holders, shareholders, partners or participant of such Investment Fund or Smedvig Investor Associate;

"Smedvig Investor Internal Permitted Transferee" means a person to whom Shares have been transferred or permitted by Article 16 and that:

- (a) is a Smedvig Investor Associate; or
- (b) is the beneficial owner or owners of the relevant Shares; or

- (c) on distribution in kind or otherwise under the relevant partnership agreement or trust deed or other constitutional document(s) of an Investment Fund, is a partner of a limited partnership or the holder of units in a unit trust or a shareholder of, or participant in, or holder of any other interest in, any Investment Fund; or
- (d) in the case of a transfer by a person who held the relevant share in connection with a Smedvig Co-Investment Scheme:
 - (i) is another person who holds or is to hold shares or loan notes or any other security issued by the Company or any other member of the Group in connection with such Smedvig Co-Investment Scheme; or
 - (ii) is a person who has become entitled to the same under the terms of such Smedvig Co-Investment Scheme;

"Subscribers" has the meaning set out in Article 14.2;

"Subscription Period" has the meaning set out in Article 14.2(a);

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act

"Transfer Notice" has the meaning set out in Article 17.2

"Transfer Price" has the meaning set out in Article 17.2;

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act; and

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

3. **SHARE CAPITAL**

- 3.1 In these Articles, unless the context otherwise requires, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Except as otherwise provided in these Articles, the Series A1 Shares, Series A2 Shares, A Ordinary Shares, the Ordinary Shares and the Growth Shares shall rank pari passu in all respects but shall constitute separate classes of shares. The Growth Shares shall constitute a single class of share, notwithstanding that different Hurdle Amounts may apply to different Growth Shares.
- 3.3 Subject to the Act, the Company may (with Investor Majority Consent) purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.
- 3.4 Paragraph (c) of Article 24(2) of the Model Articles shall be amended by the replacement of the words **"that the shares are fully paid; and"** with the words **"the amount paid up on them; and"**.

-
- 3.5 In Article 25(2) of the Model Articles the words **"payment of a reasonable fee as the directors decide"** in paragraph (c) shall be deleted and replaced by the words **"payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine"**.
- 3.6 The Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- (a) receive notice of or to attend or vote at any general meeting of the Company;
 - (b) receive or vote on any proposed written resolution; and
 - (c) receive a dividend or other distribution,
- save as otherwise permitted by section 726(4) of the Act.

4. **DIVIDENDS**

- 4.1 In respect of any Financial Year, the Company's Available Profits shall be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company may determine, with Investor Majority Consent, to distribute in respect of any Financial Year will be distributed among the holders of Deferred Shares (if any) and the Equity Shares so that £1.00 of such profits will be distributed to the holders of the Deferred Shares pro rata according to the number of Deferred Shares held by them (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares) and, as to the balance, among the holders of the Equity Shares on a pro rata basis according to the number of Equity Shares held by them (pari passu as if the Equity Shares constituted one class of share). Article 30 of the Model Articles is modified accordingly.
- 4.3 Subject to the Act and these Articles, the Board may, provided Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Each dividend shall accrue on a daily basis assuming a 365-day year. All dividends are expressed net and shall be paid in cash.
- 4.5 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.6 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.7 If:
- (a) a Share is subject to a Company's Lien; and
 - (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of:

- (c) the fact and sum of any such deduction;
- (d) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
- (e) how the money deducted has been applied.

4.8 Article 31(1) of the Model Articles shall be amended by:

- (a) the replacement of the words "**either in writing or as the directors may otherwise decide**" at the end of paragraphs (a), (b) and (c) of that Article 31(1) with the words "**in writing**"; and
- (b) the replacement of the words "**either in writing or by such other means at the directors decide**" from the end of paragraph (d) of that Article 31(a) with the words "**in writing**".

5. LIQUIDATION PREFERENCE

5.1 On a distribution of assets on a liquidation or other return of capital (other than a conversion, redemption or purchase of Shares), the surplus assets of the Company remaining after the payment of its liabilities shall be applied (to the extent the Company is lawfully able to do so):

- (a) first, in paying the holders of the Deferred Shares, if any, a total of £1 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); then,
- (b) either:
 - (i) second, in paying (1) to each of the holders of Series A Shares an amount per Series A Share equal to 99.99% of the Series A Issue Price paid for each Series A Share held by them and (2) to each of the holders of A Ordinary Shares, Ordinary Shares and Growth Shares (pro rata to the aggregate number of A Ordinary Shares, Ordinary Shares and Growth Shares held and as if such shares constituted one class) an amount per share equal to 0.01% of the lowest Series A Issue Price paid for a Series A Share (provided that if there are insufficient surplus assets to pay such amounts, the remaining surplus assets shall be distributed pro rata to the amounts to which they would otherwise have been entitled to under this Article 5.1(b)(i)); and
 - (ii) thereafter, an amount equal to 99.99% of the balance of the surplus assets (if any) shall be distributed on a pari passu basis among the holders of A Ordinary Shares, Ordinary Shares and Growth Shares (pro rata to the aggregate number of A Ordinary Shares, Ordinary Shares and Growth

Shares held and as if such shares constituted one class) and an amount equal to 0.01% of the remaining surplus assets (if any) shall be distributed to the holders of Series A Shares (pro rata to the aggregate number of Series A Shares held and as if such shares constituted one class) **SAVE THAT** the holders of Growth Shares shall have no entitlement other than to 0.01% of any distributions due to a holder of A Ordinary Shares or Ordinary Shares pursuant to this Article 5.1(b)(ii) prior to each holder of A Ordinary Shares or Ordinary Shares having received an amount pursuant to this Article 5.1(b)(ii) equal to 99.98% of the Hurdle Amount of that Growth Share and holders of Series A Shares having received an amount equal to 0.01% of the Hurdle Amount of that Growth Share (the "**Applicable Growth Shares**"), and thereafter the Applicable Growth Shares shall participate pari passu with the A Ordinary Shares and Ordinary Shares (and any Growth Shares with lower Hurdle Amounts) in any distributions in excess of the Applicable Growth Share's Hurdle Amount.

(c) or:

(i) thereafter, the balance of the surplus assets (if any) shall be distributed on a pari passu basis among the holders of Series A1 Shares, Series A2 Shares, A Ordinary Shares, Ordinary Shares and Growth Shares (pro rata to the aggregate number of Series A1 Shares, Series A2 Shares, A Ordinary Shares, Ordinary Shares and Growth Shares held and as if such shares constituted one class) **SAVE THAT** the holders of Growth Shares shall have no entitlement other than to 0.01% of any distributions due to a holder of Series A1 Shares, Series A2 Shares, A Ordinary Shares or Ordinary Shares pursuant to this Article 5.1(c)(i) prior to each holder of Series A1 Shares, Series A2 Shares, A Ordinary Shares or Ordinary Shares having received an amount pursuant to this Article 5.1(c)(i) equal to 99.99% of the Hurdle Amount of that Growth Share (the "**Series A Applicable Growth Shares**") and thereafter the Series A Applicable Growth Shares shall participate pari passu with the Series A1 Shares, Series A2 Shares, A Ordinary Shares and Ordinary Shares (and any Growth Shares with lower Hurdle Amounts) in any distributions in excess of the Series A Applicable Growth Share's Hurdle Amount.

5.2 On a proposed distribution under Article 5.1, the surplus assets shall be distributed in accordance with whichever of Article 5.1(b) or Article 5.1(c) would result in the greatest return to the Series A1 Shares.

6. EXIT PROVISIONS

6.1 In the event of a Share Sale, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale, the selling holders of shares shall immediately prior to such Share Sale procure that the Proceeds of Sale (whenever received) shall be distributed amongst such selling holders of shares in such amounts and in such order of priority as would be applicable on a return of capital pursuant to Article 5. On a Share Sale involving less than all the shares in issue, the value of the Company as a whole shall be calculated using the value implied by the Share Sale (acting with Investor Majority Consent and, if such implied value cannot be agreed, it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company

and each of the Shareholders) and shall be notionally distributed to all shares in issue or issuable using the order of priority in Article 5 in order to calculate the distribution of the Proceeds of Sale payable in respect of those Shares being sold. The costs of the Auditors shall be borne by the Company.

- 6.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by an Investor Majority (including, but without prejudice to the generality of this Article 6.2, creating distributable profits or reserves by way of reduction of capital or such action as may be necessary to put the Company into voluntary liquidation so that Article 5 applies).
- 6.3 In the event of an Exit approved by the Board and in accordance with the terms of these Articles (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to, and waive any applicable rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article 6.2:
- (a) the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
 - (b) the Board may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
 - (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay any interest).

7. VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 7.1 The Series A Shares shall confer on each holder of Series A Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.2 The A Ordinary Shares shall confer on each holder of A Ordinary Shares the right to receive notice of and to attend all general meetings of the Company but shall not entitle the holders of them to vote at any general meetings of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 7.3 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.4 The Growth Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meetings of the Company nor to receive or vote on, or

otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.

- 7.5 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meetings of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 7.6 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 7.7 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
 - (b) on any proposed written resolution,

unless all of the amounts payable to the Company in respect of that share have been paid.

8. CONSOLIDATION OF SHARES

- 8.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument or transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 8.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and these Articles, by ordinary resolution (with Investor Majority Consent) determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

9. CONVERSION OF SERIES A SHARES

- 9.1 Any holder of Series A Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the fully paid Series A Shares held by them at any time and those Series A Shares shall convert automatically on the date of such notice (the "**Conversion Date**"), provided that the holder may in such notice, state that conversion of its Series A Shares into Ordinary Shares is conditional upon the occurrence of one or more events (the "**Conditions**").
- 9.2 All of the fully paid Series A1 Shares shall automatically convert into Ordinary Shares on the date of a notice given by a Series A1 Majority (which date shall be treated as the

Conversion Date unless any conditions specified in such notice require a later date to be treated as the Conversion Date).

- 9.3 All of the fully paid Series A2 Shares (other than those Series A2 Shares held by the Smedvig Investor) shall automatically convert into Ordinary Shares on the date of a notice given by a Series A2 Majority and (ii) all of the fully paid Series A2 Shares held by the Smedvig Investor shall automatically convert into Ordinary Shares on the date of a notice given by the Smedvig Investor (in each case which date shall be treated as the Conversion Date unless any conditions specified in such notice require a later date to be treated as the Conversion Date).
- 9.4 In the case of Articles 9.1, 9.2 and 9.3, not more than five Business Days after the Conversion Date, each holder of the relevant Series A Shares shall deliver the certificate(s) (or an indemnity for the lost certificate(s) in a form acceptable to the Board) in respect of the Series A Shares being converted to the Company at its registered office for the time being.
- 9.5 In the event of a conversion under Article 9.1, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date, such conversion shall be deemed not to have occurred.
- 9.6 On the Conversion Date, the relevant Series A Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series A Share (the "**Conversion Ratio**"), and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 9.7 The Company shall, on the Conversion Date, enter the holder of the converted Series A Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivery its certificate(s) (or an indemnity for the lost certificate(s) in a form acceptable to the Board) in respect of the Series A Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date, forward to such holder of Series A Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 9.8 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
- (a) if Series A Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with the consent of the Series A1 Majority) is fair and reasonable, to maintain the right to convert so as to ensure that each holder of Series A Shares is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;
 - (b) if Series A Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with the consent of the Series A1

Majority) is fair and reasonable, to maintain the right to convert so as to ensure that each holder of Series A Shares is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

- 9.9 If any holder of Series A Shares becomes entitled to fractions of an Ordinary Share as a result of conversion ("**Fractional Holders**"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional holder's agent for the purpose of the sale.
- 9.10 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with Article 9.8 or if so requested by a Series A1 Majority, the Board shall refer the matter to the Auditors for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.
- 9.11 If Series A Shares remain capable of being converted into new Ordinary Shares, and Ordinary Shares are offered by the Company by way of rights to holders of Ordinary Shares (an "**Offer By Way Of Rights**"), the Company shall on making of each such offer, make a like offer to each holder of Series A Shares as if immediately before the record date for the Offer By Way Of Rights, his Series A Shares had been converted into fully-paid Ordinary Shares at the then applicable Conversion Ratio.

10. ANTI-DILUTION PROTECTION

- 10.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Series A1 Issue Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of each New Security) then the Company shall, unless a Series A1 Majority shall have specifically waived the rights of all holders of the Series A1 Shares or to the extent that any holders of Series A1 Shares have specifically waived their rights under this Article 10.1 in writing (such waiver only being effective in relation to the holders of the Series A1 Shares in question), issue to each holder of Series A1 Shares (the "**Exercising Investors**") a number of new Series A1 Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 10.4 (the "**Anti-Dilution Shares**"):

$$N = \left(\left(\frac{SIP}{WA} \right) \times Z \right) - Z$$

Where:

N= Number of Anti-Dilution Shares to be issued to the Exercising Investor

$$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

WA =

SIP = Series A1 Issue Price of the relevant Separately Priced Subset

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue

Z = the number of Series A1 Shares in that Separately Priced Subset held by the Exercising Investor prior to the Qualifying Issue.

10.2 The calculations in this Article 10.2 shall be undertaken separately in respect of all Series A1 Shares with different Series A1 Issue Prices (each a "**Separately Priced Subset**") and utilising the Series A1 Issue Price for that Separately Priced Subset. No account shall be taken in each such calculation of any Anti-Dilution Shares in respect of any other Separately Priced Subset in respect of the same Qualifying Issue (but, for the avoidance of doubt, such Anti-Dilution Shares shall be taken into account and subsist in the value of "ESC" in respect of an application of this Article 10.2 on any subsequent Qualifying Issue). Nothing in this Article 10.2 shall constitute each Separately Priced Subset as a separate class of shares.

10.3 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par and the entitlement of the such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 10.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 10.1 or this Article 10.3, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and
- (b) subject to the payment of any cash payable pursuant to Article 10.3(a) (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing Series A1 Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to Article 10.3(a).

10.4 In the event of any Bonus Issue or Reorganisation, the Series A1 Issue Price of a Separately Priced Subset of Series A1 Shares shall also be subject to adjustment on such basis as may be agreed by the Company with the holders for the time being of more than 50% of such Separately Priced Subset of Series A1 Shares, in each case, within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the holders for the time being of more than 50% of such Separately Priced Subset of Series A1 Shares (as applicable) cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

10.5 For the purposes of this Article 10 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued

11. DEFERRED SHARES

11.1 Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for the aggregate sum of £0.01 for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of holder(s).

11.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise) including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of £0.01 for all the Deferred Shares registered in the name of such holder(s);
- (b) receive the consideration for such transfer or purchase (and give good discharge for it) and hold the same on trust for the transferor(s);
- (c) give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
- (d) retain the certificates (if any) in respect of such Deferred Shares pending such transfer, cancellation and/or purchase thereof.

11.3 No Deferred Share may be transferred without the prior consent of the Board.

12. CONVERSION OF GROWTH SHARES

Conversion to Deferred Shares

12.1 In circumstances where the Company (or its nominee) has a right to purchase, repurchase or otherwise acquire any Growth Shares at an amount which does not exceed the original subscription price pursuant to these Articles or pursuant to a Growth Share Subscription Agreement or a right to require or procure the transfer of shares pursuant to a Growth Share Subscription Agreement (in each case, such Shares being referred to in these Articles as "**Qualifying Growth Shares**") in lieu of exercising its right to purchase, repurchase or acquire or to require or procure such transfer, the Board (acting with

Smedvig Director Consent) may in its absolute discretion serve a notice (a "**Growth Share Conversion Notice**") on the holder of such Qualifying Growth Share (the "**GSS Shareholder**") specifying that all or any of such Qualifying Growth Shares (the "**Designated Growth Shares**") are to convert into or be redesignated as Deferred Shares on such date as the Board (acting with Smedvig Director Consent) may specify in the Growth Share Conversion Notice (the "**Growth Share Conversion Date**").

- 12.2 In the case of Article 12.1, not more than 5 Business Days after the Growth Share Conversion Date, each holder of the Designated Growth Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Designated Growth Shares being converted to the Company at its registered office for the time being.
- 12.3 On the Growth Share Conversion Date, the relevant Designated Growth Shares shall without further authority than is contained in these Articles stand converted into Deferred Shares on the basis of one Deferred Share for each Designated Growth Share held and the Deferred Shares resulting from such conversion shall in all other respects rank *pari passu* with the existing issued Deferred Shares (if any).
- 12.4 The Company shall on the Growth Share Conversion Date enter the holder(s) of the converted Designated Growth Shares on the register of members of the Company as the holder(s) of the appropriate number of Deferred Shares and, subject to the relevant holder(s) delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the converted Designated Growth Shares in accordance with this Article, the Company shall within 10 Business Days of the Growth Share Conversion Date forward to such holder(s) of Designated Growth Shares by post to its address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Deferred Shares.
- 12.5 The GSS Shareholder shall execute any documents which the Board may reasonably request in order to give proper effect to these Articles. If the GSS Shareholder fails to comply with such request, the Company shall be constituted the agent of the GSS Shareholder for taking such actions as the Board (acting with Smedvig Director Consent) deems necessary or desirable to effect the conversion or redesignation of the relevant Designated Growth Shares into Deferred Shares and the Board may authorise any director of the Company to execute and deliver on behalf of the GSS Shareholder the relevant documents.

Conversion to Ordinary Shares

- 12.6 If there is an IPO, the Company shall convert the Growth Shares of each Growth Shareholder into the Requisite Number (as defined in Article 12.7 below) of Ordinary Shares immediately upon the occurrence of an IPO, provided that the conversion will be effective only immediately prior to such IPO (the "**Conversion Date**") and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred.
- 12.7 For the purposes of Article 12.6:
- (a) the "**Requisite Number**" of Ordinary Shares for these purposes shall be such that the proportion which the Ordinary Shares held by that holder of Growth Shares

bears to the issued Ordinary Shares following the conversion of all Series A Shares under Article 9.1 shall be equal to the equivalent Sale Proceeds;

- (b) the "**equivalent Sale Proceeds**" for these purposes means the proportion of the Proceeds of Sale that the holder of Growth Shares would have been entitled to receive under Article 6 on a Share Sale if the total Proceeds of Sale were equal to the Pre-New Money Valuation; and
- (c) the "**Pre-New Money Valuation**" for these purposes means the result of multiplying the total number of Ordinary Shares in issue immediately after the IPO (excluding any new Ordinary Shares issued upon the IPO to raise new money) by the price per share at which new Ordinary Shares are offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the IPO.

- 12.8 In the case of Article 12.6, not more than 5 Business Days after the Conversion Date, each holder of the relevant Growth Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Growth Shares being converted to the Company at its registered office for the time being.
- 12.9 The Company shall on the Conversion Date enter the holder(s) of the converted Growth Shares on the register of members of the Company as the holder(s) of the appropriate number of Ordinary Shares and, subject to the relevant holder(s) delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the converted Growth Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder(s) of Growth Shares by post to its address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 12.10 If the aggregate nominal value of Growth Shares converted into new Ordinary Shares is more than the aggregate nominal value of the Ordinary Shares, then the excess shall be dealt with in such manner as the Board (acting with Smedvig Director Consent) may determine, subject to applicable law.
- 12.11 If the aggregate nominal value of the Growth Shares converted into Ordinary Shares is less than the aggregate nominal value of the Ordinary Shares then, to the extent it is lawful to do so and provided the Company has sufficient reserves, the shortfall shall be paid up as to nominal value by way of bonus capitalisation from amounts standing to the credit of the share premium account or any other available reserves of the Company as determined by the Board (acting with Smedvig Director Consent). If it is unlawful for the Company to so capitalise its reserves or such reserves are insufficient, then the holder of Growth Shares so converted shall have the right to subscribe in cash for the nominal value shortfall.
- 12.12 If any Growth Shareholder becomes entitled to fractions of an Ordinary Share as a result of conversion after aggregating all fractional shares otherwise issuable to such Shareholder ("**Fractional Holders**"), the directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of

fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

13. VARIATION OF RIGHTS

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class save that the special rights attaching to the Series A Shares may only be varied or abrogated with the consent of a Series A1 Majority and a Series A2 Majority.

14. ALLOTMENT OF NEW SHARES AND OTHER SECURITIES: PRE-EMPTION

14.1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act shall not apply to an allotment of Equity Securities made by the Company.

14.2 Subject to Article 14.3, unless otherwise agreed by Investor Majority Consent, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the "**Subscribers**") on the same terms, and at the same price, as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares (as if the Equity Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:

- (a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the Offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities; and
- (b) may stipulate that, any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled, shall in their acceptance state the number of excess New Securities for which they wish to subscribe.

14.3 The Company shall offer any Institutional Investor their pro rata entitlement to any New Securities on the terms set out in Article 14.2. Nothing in Article 14.2 shall operate to disapply pre-emption rights in respect of any Institutional Investor, save with that Institutional Investor's prior written consent.

14.4 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Equity Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).

14.5 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall, for a period of three months from the end of the Subscription Period, be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.

-
- 14.6 Subject to the requirements of Articles 14.3 and 14.5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 14.7 The provisions of Articles 14.2 to 14.6 (inclusive) shall not apply to:
- (a) the grant of any options to subscribe for Ordinary Shares or Growth Shares, and the issue of Shares pursuant to the exercise of options granted under the Share Option Plan, subject to the terms of the Shareholders' Agreement, and/or the allotment of Growth Shares pursuant to a Growth Share Subscription Agreement provided such grant, issue or allotment is approved by the Board (acting with Smedvig Director Consent);
 - (b) New Securities issued in consideration of the acquisition by the Company or any company or business which has been approved in writing by the Board and by an Investor Majority;
 - (c) New Securities which an Investor Majority have agreed in writing should be issued without complying with the procedure set out in this Article 14;
 - (d) New Securities issued as a result of a bonus issue of shares which has been approved in writing by the Board and by an Investor Majority; and
 - (e) New Securities issued as a result of the provisions of Article 10.
- 14.8 Any New Securities offered under this Article 14 to an Institutional Investor may be accepted in full or part only by (i) a Member of the Same Fund Group as that Institutional Investor or a Member of the Same Group as that Institutional Investor in accordance with the terms of this Article 14, which in the case of the Smedvig Investor shall include any member the Smedvig Investor Group or (ii) in the case of 24H and the 24H Members, 24H, the 24H Members and their Permitted Transferees.
- 14.9 No Shares shall be allotted (nor any Treasury Shares be transferred) to Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom unless such person has first entered into a joint section 431 ITEPA election with the Company if so required by the Company.
- 15. TRANSFER OF SHARES – GENERAL**
- 15.1 In Article 15 to 22 inclusive, references to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 15.2 No Share shall be transferred unless it is made in accordance with these Articles.
- 15.3 If a Shareholder transfers or purports to transfer a Share other than in accordance with these Articles, he will be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

-
- 15.4 Any transfer of a Share by way of sale which is required to be made under Articles 17 to 22 (inclusive) will be deemed to include a warranty from the transferor that it is sold with full title guarantee.
- 15.5 Notwithstanding any provisions in these Articles no Shares held by the Owner Managers (and/or any Permitted Transferee(s) of the relevant Owner Manager) shall be transferred for a period of five (5) years following the Date of Adoption without the consent of the Smedvig Investor.
- 15.6 Upon the expiry of the period referred to in Article 15.5, the prior consent of the Board shall be required where either of the Owner Managers (and/or any Permitted Transferee(s) of the relevant Owner Manager) wish to transfer in excess of five (5) per cent of the issued Equity Shares held in the Company, whether in a single transaction or in a series of transactions.
- 15.7 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share to a minor, a bankrupt or a person of unsound mind;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company who, in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company; and
 - (c) it is a transfer of a Share which is not fully paid:
 - (i) to a person of whom the Directors do not approve; or
 - (ii) which is subject to a Company's Lien;
 - (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
 - (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (f) the transfer is in respect of more than one class of Shares;
 - (g) the transfer is in respect of more than four transferees; or
 - (h) these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 15.8 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the

Shareholders and the Company in any form as the Directors reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and, if any condition is imposed in accordance with this Article 15.8, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

15.9 To enable the Directors to determine whether or not there has been a disposal of shares in the capital of the Company (or an interest in shares in the capital of the Company) in breach of these Articles, the Directors may require any holder or the legal representative of a deceased holder or any person named as a transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company such information and evidence as the Directors may request regarding any matter which they deem relevant to that purpose including (but not limited to) the names, addresses and interests of all persons respectively having an interest in the Shares from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where, as a result of such information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights:
 - (i) to vote (whether on a show of hands or on a poll or otherwise and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that, at the election of the relevant Institutional Investor, such rights shall not cease as a result of such cessation the Company shall become a Subsidiary of an Institutional Investor;
 - (ii) to receive dividends or other distributions otherwise attaching to those shares or to participate in any future issue of shares issued in respect of those shares; and
- (b) the holder may be required at any time following receipt of the notice to transfer some or all of his Shares to such person(s) at a price that the Directors may require by notice in writing to that holder.

The rights referred to in (a) above may be reinstated at any time by the Board with Investor Majority Consent and shall in any event be reinstated upon the completion of any transfer referred to in (b) above.

15.10 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.

15.11 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, shall be treated as having specified that:

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board with Investor Majority Consent (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller or, failing agreement within 5 Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares; and
- (b) the Seller wishes to transfer all the Shares held by him it.

15.12 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

- (a) the transferor; and
- (b) if any of the shares is partly or nil paid, the transferee.

15.13 Notwithstanding any other provision of these Articles:

- (a) the transfers of all or any of the Secondary Sale Shares to the Smedvig Investor;
- (b) the transfer of any Additional Secondary Shares to the Smedvig Investor if and to the extent that a Shareholder (at their sole option) wishes to do so without serving a Transfer Notice pursuant to Article 17.2; and
- (c) the subsequent re-designation or reclassification of all or any of the Secondary Sale Shares and Additional Secondary Sale Shares from Ordinary Shares to Series A1 Shares on transfer to the Smedvig Investor,

shall not be subject to any rights of pre-emption, shall not require the consent of any of the Shareholders, shall not trigger any anti-dilution adjustment or result in any adjustment to the rights of any of the Shareholders under these Articles and each such transfer of Secondary Sale Shares and/or Additional Secondary Shares shall be registered by the Directors.

16. PERMITTED TRANSFERS

16.1 Subject to Article 16.14, a Shareholder (who is not a Shareholder by virtue of being a Permitted Transferee of another Shareholder) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.

16.2 Shares previously transferred as permitted under Article 16.1 or 16.3 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

16.3 Where, under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the

deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 16.4 If a Permitted Transferee who was a Member of the Same Group as the Original Shareholder ceases to be a Member of the Same Group as the Original Shareholder, the Permitted Transferee must, no later than 5 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the Same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares on the first Business Day after the expiry of that five Business Day period.
- 16.5 If a Permitted Transferee who was a Member of the Same Fund Group as the Original Shareholder ceases to be a Member of the Same Fund Group as the Original Shareholder, the Permitted Transferee must, no later than 5 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the Same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares on the first Business Day after the expiry of that five Business Day period.
- 16.6 Trustees may:
- (a) transfer Shares to a Qualifying Company;
 - (b) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder;
 - (c) transfer Shares to the new or remaining trustees upon a change of Trustees without restriction as to price or otherwise.
- 16.7 No transfer of Shares may be made to Trustees unless the Board (with Smedvig Director Consent) is satisfied:
- (a) with the terms of the trust instrument and, in particular, with the powers of the trustees;
 - (b) with the identity of the proposed trustees;
 - (c) that the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
 - (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 16.8 If a Permitted Transferee who was a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, the Permitted Transferee must, no later than 5 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) (which in either case is not in bankruptcy and/or liquidation) without restriction as to price or otherwise, failing which it will be deemed to

have given a Transfer Notice in respect of those Shares on the first Business Day after the expiry of that five Business Day period.

16.9 If a Permitted Transferee who was a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:

(a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

(b) give a Transfer Notice to the Company in accordance with Article 17.2,

failing which he shall be deemed to have given a Transfer Notice on the first Business Day after expiry of that 15 Business Day period.

16.10 On the death (subject to Article 16.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must, within 5 Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or administrative receiver, execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 5 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver shall be deemed to have given a Transfer Notice on the first Business Day after the expiry of that 5 Business Day period.

16.11 A transfer of any Shares approved by the Board and Investor Majority Consent may be made without any restriction as to price or otherwise and any such transfer shall be registered by the Directors.

16.12 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company which has been approved by the Board and Investor Majority Consent.

16.13 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with the prior consent of an Investor Majority.

16.14 Growth Shares may be transferred to the Company or to any person nominated by the Board (acting with Smedvig Director Consent) pursuant to and in accordance with the terms of any Growth Share Subscription Agreement.

17. TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

17.1 Save where the provisions of Articles 16, 19, 20 or 22 apply, any transfer of Equity Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 17.

17.2 A Shareholder who wishes to transfer Equity Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Equity Shares, give notice in writing (a "**Transfer Notice**") to the Company specifying:

- (a) the number of Equity Shares which he wishes to transfer (the "**Sale Shares**");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which he wishes to transfer the Sale Shares.

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price shall be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

17.3 Except as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

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

17.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 18,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 17.6 and 17.7. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

17.6 *Transfers: Offer*

- (a) The Board shall offer the Sale Shares to holders of Equity Shares other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- (b) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in proportion (fractional entitlements being rounded down to the nearest whole number) which his existing holding of the relevant class(es) of Equity Shares bears to the total number of the relevant class(es) of Equity Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a

Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 17.7(d).

17.7 Completion of transfer of Sale Shares

- (a) The Board shall, when no further offers are required to be made under Article 17.6, give written notice of allocation (an "**Allocation Notice**") to the Seller and each holder of Equity Shares to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business days and no more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- (b) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- (c) If the Seller fails to comply with the provisions of Article 17.7(b):
 - (i) the chairman of the Company or, failing him, one of the Directors or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (B) receive the Transfer Price and give good discharge for it; and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of members as the holders of relevant Sale Shares purchased by them; and
 - (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate(s) for the relevant Sale Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- (d) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 17.7(e), the Seller may, within 8 weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- (e) The right of the Seller to transfer the unallocated Sale Shares under Article 17.7(d) does not apply if the Board (acting with Smedvig Director Consent) is of the opinion on reasonable grounds that:

-
- (i) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate or a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 17.8 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Equity Shares with the consent of the Board and Investor Majority Consent.
- 17.9 Any Sale Shares offered under this Article 17 may be accepted in full or part only by a Member of the Same Fund Group as that Institutional Investor or a Member of the Same Group as that Institutional Investor in accordance with the terms of this Article 17, which in the case of the Smedvig Investor shall include any member the Smedvig Investor Group.
18. **VALUATION OF SHARES**
- 18.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with the provisions of Articles 15.11, 17.2 or otherwise then, on the date of failing agreement, the Board shall either:
- (a) appoint an expert valuer in accordance with Article 18.2 (the “Expert Valuer”) to certify the Fair Value of the Sale Shares; or
 - (b) (if the Fair Value has been certified by an Expert Valuer for any other Sale Shares within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 18.2 The Expert Valuer will either be:
- (a) the Auditors; or
 - (b) (if otherwise agreed by the Board and the Seller) an independent firm of chartered accountants to be agreed between the Board and the Seller or, failing agreement no later than the date 10 Business Days after the date of service of the Transfer Notice, to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 18.3 The “Fair Value” of the Sale Shares shall be determined by the Expert Valuer on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm’s length sale between a willing seller and a willing buyer;

-
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 18.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 18.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 18.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 18.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 18.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate, it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 18.9 The cost of obtaining the certificate shall be paid by the Company unless:
- (a) the Seller cancels the Company's authority to sell; or
 - (b) the Fair Value certified by the Expert Valuer is less than the price (if any) offered by the Board to the Seller for the Sale Shares before the Expert Valuer was instructed,
- in which case the Seller shall bear the cost.
- 19. COMPULSORY TRANSFERS - GENERAL**
- 19.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

19.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representative of that deceased Shareholder either:

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 19.2 shall not be fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

19.3 If a Shareholder which is a company, either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than as a part of a bona fide restructuring or re-organisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.

19.4 If there is a change in control (as 'control' is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Board to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This Article 19.4 shall not apply to a member which is an Institutional Investor.

20. DEPARTING OWNER MANAGERS

20.1 Unless the Board (acting with Smedvig Director Consent) determine that this Article 20.1 shall not apply and/or the provisions of Article 20.2 instead, if the Owner Manager ceases to be an Employee in circumstances:

- (a) where he or she is a Bad Leaver, the Owner Manager shall be deemed to have given a Transfer Notice in respect of all of the Owner Manager Shares relating to such Owner Manager;
- (b) where he or she is an Intermediate Leaver, the Owner Manager shall be deemed to have given a Transfer Notice in respect of the Intermediate Leaver's Percentage of the Owner Manager Shares relating to such Owner Manager; and
- (c) where he or she is a Good Leaver, the Owner Manager shall be deemed to have given a Transfer Notice in respect of the Good Leaver's Percentage of the Good Leaver Owner Manager Shares relating to such Owner Manager.

-
- 20.2 Unless the Board (acting with Smedvig Director Consent) determine otherwise, the Transfer Price in respect of any Transfer Notice given pursuant to Article 20.1 shall be equal to:
- (a) in the case of Article 20.1(a), the lower of the Issue Price and the Fair Value of the Owner Manager Shares;
 - (b) in the case of Article 20.1(b), the lower of the Issue Price and the Fair Value of the Owner Manager Shares; and
 - (c) in the case of Article 20.1(c), the Fair Value of the Owner Manager Shares.
- 20.3 In respect of any deemed Transfer Notice under this Article 20:
- (a) the Fair Value shall be as agreed between the Board (including Smedvig Director Consent) and the Owner Manager, or failing agreement within 5 Business Days of seeking to agree such price, shall be determined in accordance with Article 18;
 - (b) the provisions of Article 17 shall apply mutatis mutandis save that the Owner Manager Shares shall be offered in the following order of priority:
 - (i) to any person(s) approved by the Board (excluding the Owner Manager Directors and the Independent Non-Executive Directors) (acting with Smedvig Director Consent); and/or
 - (ii) to the Company (subject always to the provisions of the Act).

Suspension of voting rights

- 20.4 All voting rights attached to the Owner Manager Shares held by the Owner Manager or by any Permitted Transferee of the Owner Manager which are the subject of a Transfer Notice under Article 20.1 (the "**Restricted Member**"), if any, shall at the time he or she ceases to be an Employee be suspended unless the Board (acting with Smedvig Director Consent) and an Investor Majority agrees otherwise.
- 20.5 Any Owner Manager Shares whose voting rights are suspended pursuant to Article 20.4 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to this Article shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles, all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

21. MANDATORY OFFER ON A CHANGE OF CONTROL

- 21.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 19 and 20, after going through the pre-emption procedure in Article 17, the provisions of Article 21.2 shall apply if one or more Proposed Sellers propose to transfer in one or more series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into

effect, result in any Proposed Purchaser (and Associates of his or persons acting in concert with him) acquiring more than forty per cent (40%) of the Equity Shares in issue.

- 21.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Equity Shares for a consideration per Share determined in accordance with Article 6.1, and for these purposes the value of the Company as a whole shall be calculated by reference to the highest price offered for any class of share.
- 21.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior the proposed sale date (the "**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 21.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers shall not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 21.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**"), within the Offer Period, the completion of the Proposed Transfer shall be conditional upon completion of the transfer of the purchase of all the Shares held by Accepting Shareholders.
- 21.6 The Proposed Transfer is subject to the pre-emption provisions in Article 17 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 17.

22. **DRAG ALONG**

- 22.1 If the holders of fifty per cent (50%) or more of the Equity Shares which must include the Smedvig Investor (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (a "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and, together, the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article.
- 22.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:
- (a) the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
 - (b) the person to whom they are to be transferred;
 - (c) the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article); and

- (d) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**"),

(and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

22.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

22.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser to the Selling Shareholders and the Called Shareholders (the "**Drag Consideration**") were to be distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 (mutatis mutandis) (which could be nil or nominal consideration).

22.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall be obliged to give warranties that:

- (a) the Called Shareholder has the requisite capacity to enter into each Drag Document;
- (b) if that Called Shareholder is not an individual, the person or persons executing such Drag Document on behalf of that Called Shareholder has or have the due authority to do so and all necessary board, shareholder and other resolutions have been passed to enable the Called Shareholder to execute such Drag Document; and
- (c) the full title guarantee that the Called Shareholder is the sole legal and beneficial owner of the Shares held by such Called Shareholder,

but shall not be required to give any other warranties, indemnities, undertakings, covenants or obligations of any other kind.

22.6 Within 3 Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Along Completion Date**"), each Called Shareholder shall deliver:

- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;

- (b) the relevant share certificate(s) (or duly executed indemnity for the lost certificate(s) in a form acceptable to the Board) to the Company; and
- (c) a duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together, the "**Drag Documents**").

- 22.7 On the Drag Along Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholders, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 22.8 To the extent that the Drag purchaser has not, on the Drag Along Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 22 in respect of their Shares.
- 22.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Along Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Documents or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 22 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Along Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity in a form acceptable to the Board) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 22.10 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 17.
- 22.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder in respect of the Shares so acquired immediately upon that acquisition on the same terms as the previous Drag Along Notice, and the New Shareholder shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article 22 shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

22.12 In the event that an Asset Sale is approved by the Board and the holders of more than 50 per cent or more of the Equity Shares (including (i) the Smedvig Investor and (ii) the Owner Managers (provided that the Owner Managers are an Employee or Director)), such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to the Shareholders in accordance with the provisions of Articles 5 and 5.1.

23. CO-SALE RIGHT

23.1 No transfer (other than a transfer under Article 16 or a transfer made pursuant to Article 22) of any of the Ordinary Shares and/or A Ordinary Shares may be made or validly registered unless such Shareholder (a **"Relevant Transferor"**) shall have observed the following procedures of this Article 23.

23.2 After the Relevant Transferor has gone through the pre-emption process set out in Article 17, the Relevant Transferor shall give to the Smedvig Investor (an **"Equity Holder"**) not less than 10 Business Days' notice in advance of the proposed sale (a **"Co-Sale Notice"**). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the **"Buyer"**);
- (b) the price per share which the Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Equity Shares which the Relevant Transferor proposes to sell; and
- (e) the address where the counter-notice should be sent.

23.3 Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Relevant Transferor that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such Equity Holder wishes to sell. The maximum number of Equity Shares which an Equity Holder can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

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

Y is the total number of Equity Shares;

Z is the number of Equity Shares the Relevant Transferor proposes to sell.

23.4 Any Equity Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Shares pursuant to this Article 23.

23.5 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Relevant Transferor shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of Shares not exceeding the number specified in the Co-Sale Notice less any Shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Relevant Transferor from the Buyer.

23.6 No sale by the Relevant Transferor shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

24. GENERAL MEETINGS

24.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirements under section 303 of the Act.

24.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for any reason referred to in Article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least fifty per cent (50%) in nominal value of the Series A Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it has been passed unanimously at a general meeting of the Company duly convened and held.

24.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.

24.4 If a demand for a poll is withdrawn under Article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

24.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

24.6 No notice need be given of a poll not held immediately, if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

24.7 If the poll is to be held more than 48 hours after it was demanded, the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before

the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

25. PROXIES

25.1 Paragraph (c) of Article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the Directors)".

25.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:

- (a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

26. DIRECTORS' BORROWING POWERS

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

27. ALTERNATE DIRECTORS

27.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director (subject to approval of the Board) to:

- (a) exercise that Director's powers; and
- (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

-
- 27.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.
- 27.3 The notice must:
- (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving notice.
- 27.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.
- 27.5 Except as these Articles specify otherwise, alternate directors:
- (a) are deemed for all purposes to be Directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointor; and
 - (d) are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
- 27.6 A person who is an alternate Director but not a Director:
- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 27.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 27.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing to the Company.
- 27.9 An alternate Director's appointment as an alternate shall terminate:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- (b) 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;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a Director terminates.

28. NUMBER OF DIRECTORS

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than three and no more than six.

29. APPOINTMENT OF DIRECTORS

Owner Manager Directors

- 29.1 For so long as an Owner Manager holds no less than 15% of the Equity Shares in issue from time to time and is an Employee, that Owner Manager shall have the right to be appointed as a director of the Company (and as a member of each and any committee of the Board) (the "**Owner Manager Directors**" and each an "**Owner Manager Director**").
- 29.2 Notwithstanding Article 29.1, where both Owner Managers hold less than 15% of the Equity Shares in issue, but together they hold a combined shareholding of no less than 20% of the Equity Shares in issue from time to time and are Employees, the Owner Managers shall hold a joint right to appoint one director of the Company (who may also act as a member of each and any committee of the Board).

Smedvig Director

- 29.3 The Smedvig Investor (or a nominee of the Smedvig Investor) and its Permitted Transferees shall have the right appoint and maintain in office one natural person as it may from time to time nominate to act as a director of the Company (and as a member of each and any committee of the Board) (the "**Smedvig Director**") and to remove any director so appointed and, upon his or her removal whether by the Smedvig Investor (or a nominee of the Smedvig Investor) or otherwise, to appoint another director in his or her place.

24H Director

- 29.4 For so long as 24H and/or the 24H Members holds no less than 5% of the Equity Shares in issue from time to time, 24H (or a majority of the 24H Members beneficially entitled to the Equity Shares) and its Permitted Transferees shall have the right to appoint and maintain in office one natural person as it may from time to time nominate to act as a director of the Company (and as a member of each and any committee of the Board) (the "**24H Director**") and to remove any director so appointed and, upon his or her removal whether by 24H (or a nominee of 24H) or otherwise, to appoint another director in his or her place.

Independent Non-Executive Directors

- 29.5 The Owner Managers and the Smedvig Director shall jointly have the right to appoint and maintain in office two natural persons as the Owner Managers and the Smedvig Director

(acting jointly) may from time to time nominate as independent non-executive directors of the Company (and as members of each and any committee of the Board) (the "**Independent Non-Executive Directors**" and each an "**Independent Non-Executive Director**") and to remove any director so appointed and, upon his or her removal whether by the Owner Managers and the Smedvig Director (acting jointly) or otherwise, to appoint another director in his or her place

Chairperson

- 29.6 Subject to the prior written consent of the Smedvig Investor and 24H (which may be withdrawn at any time), the Board acting by a simple majority shall have the right to appoint an Independent Non-Executive Director as the chairperson of the Board (the "**Chairperson**").
- 29.7 The Chairperson shall not have a casting vote.

General

- 29.8 An appointment or removal of a Director under Articles 29.1 to 29.6 will take effect at and from the time when the written notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 29.9 The Smedvig Director, each Owner Manager Director and the 24H Director shall be entitled at their request to each be appointed to the board of directors of any Subsidiary Undertaking.

30. DISQUALIFICATION OF DIRECTORS

In addition to that provided in Article 18 of the Model Articles, the office of a Director shall also be vacated if:

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (b) in the case of Directors (other than the Smedvig Director, each Owner Manager Director or the 24H Director, in each case for so long as they are entitled to be appointed pursuant to the provisions of Articles 29.1, 29.3 or 29.4), if a majority of his co-Directors serve notice on him in writing, removing him from office.

31. PROCEEDINGS OF DIRECTORS

- 31.1 The quorum for Directors' meetings shall be three Directors who must include in all circumstances (i) the Smedvig Director (if appointed), (ii) one Owner Manager Director and (iii) one director who is not an Owner Manager Director (save that where a Relevant Interest of a Director is being authorised by the other Directors in accordance with section 175(5)(a) of the Act, such Director and any other interested Director(s) shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). If such quorum is not present within half an hour from the time appointed for the meeting, or if during the meeting such quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place or at such time and place as determined by the

Directors present at such meeting, in which case, the quorum for such adjourned meeting shall be any two Directors.

- 31.2 In the event that a meeting of the Directors is attended by a Director who is acting as an alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum, the meeting may be held despite the fact (if that is the case) that only one Director is physically present.
- 31.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participants in number is assembled. In the absence of a majority, the location of the chairman shall be deemed to be the place of the meeting.
- 31.4 Notice of a meeting of the Board need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 31.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such meeting.
- 31.6 Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 31.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation by electronic means). Reference in Article 7(1) of the Model Articles to Article 8 of the Model Articles shall be deemed to include a reference to this Article also.

32. DIRECTORS' INTERESTS

Specific Interests of a Director

- 32.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interest in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- (e) where a Director (or a person connected with him) is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by ordinary resolution.

Interests of the Smedvig Director and 24H Director

32.2 In addition to the provisions of Article 32.1, subject to the provisions of the Act and provided (if these Articles so require) that he or she has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his or her interest, where a Director is the Smedvig Director or 24H Director he or she may (save as to the extent not permitted by law from time to time), notwithstanding his or her office, have an interest arising from any duty he or she may owe to, or interest he or she may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:

- (a) an Institutional Investor;
- (b) any other company to which he is nominated by that Institutional Investor (including, without limitation, in relation to any company whose business competes or may compete with the Company's business);
- (c) a Fund Manager which advises or manages an Institutional Investor;
- (d) any of the funds advised or managed by a Fund Manager which advises or manages an Institutional Investor from time to time; or

- (e) another body corporate or firm in which a Fund Manager which advises or manages an Institutional Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

Interests of which a Director is not aware

- 32.3 For the purposes of this Article 32, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 32.4 In any situation permitted by this Article 32 (save as otherwise agreed by him), a Director shall not by reason of his or her office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

- 32.5 Subject to Article 32.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (an "**Interested Director**") who has proposed that the Directors authorise his interest (a "**Relevant Interest**") pursuant to that section may:

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 32.7 and 32.8, so far as is permitted by law, in respect of such Interested Director; and
- (b) be withdrawn, or varied, at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

subject to Article 32.6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article.

Terms and conditions of Board authorisation for the Smedvig Director and 24H Director

- 32.6 Notwithstanding the other provisions of this Article 32, it shall not (save with the consent in writing from the Smedvig Director and/or 24H Director) be made a condition of any authorisation of a matter in relation to that Smedvig Director or 24H Director (as applicable) in accordance with section 175(5)(a) of the Act, that he or she shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or

that he or she shall be required to disclose, use or apply confidential information as contemplated in Article 32.8.

Director's duty of confidentiality to a person other than the Company

32.7 Subject to Article 32.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information in circumstances where disclosure may otherwise be required under this Article 32), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

32.8 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 32.7 shall apply only if the conflict arises out of a matter which falls within Article 32.1 or has been authorised under section 175(5)(a) of the Act.

32.9 The Smedvig Director and 24H Director shall be entitled from time to time to disclose to their appointor, to any Permitted Transferee of such appointor and to any other person that Smedvig Director or 24H Director or his appointor may disclose confidential information pursuant to the Shareholders' Agreement, such information concerning the business and affairs of the Company as he or she shall at his discretion see fit and he shall not be in breach of any duty owed to the Company by reason of such disclosure.

Additional steps to be taken by a Director to manage a conflict of interest

32.10 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director to declare an interest

32.11 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 32.1 or Article 32.2 at a meeting of the Directors, or by general

notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- (a) falling under Article 32.1(g);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

32.12 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 32.

32.13 For the purposes of this Article 32:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

33. NOTICES

33.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied by or to any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

- (a) in hard copy form;
- (b) in electronic form; or
- (c) (by the Company) by means of a website (other than notices calling a meeting of the Directors),

or partly by one of these means and partly by another of these means. Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article.

Notices in hard copy form

-
- 33.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first-class post (airmail if overseas):
- (a) to the Company or any other company at its registered office;
 - (b) to the address notified to or by the Company for that purpose;
 - (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as show in the Company's register of members;
 - (d) in the case of an intended recipient who is a Director or alternate, to his address as show in the register of Directors;
 - (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
 - (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company.
- 33.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:
- (a) if delivered, at the time of delivery; and
 - (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

- 33.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:
- (a) if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
 - (b) if delivered or sent by first-class post (airmail if overseas) in an electronic form (such as sending a disc by post), be so delivered or sent as if in hard copy form under Article 33.2; or
 - (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (i) on its website from time to time; or
 - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.
- 33.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and effective:

- (a) if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
- (b) if posted in electronic form, on receipt or 48 hours after the time it was posted;
- (c) it delivered in electronic form, at the time of delivery; and
- (d) if sent by other electronic means as referred to in Article 33.4(c), at the time such delivery is deemed to occur under the Act.

33.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or the intended recipient's non-receipt.

Notice by means of a website

33.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

33.8 In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "Primary Holder"). Notice so given shall constitute notice to all the joint holders.

33.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

34. INDEMNITIES AND INSURANCE

34.1 Subject to the provisions of and so far as may be permitted by, the Act:

- (a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against:
 - (i) any liability incurred by the director to the Company or any associated company; or
 - (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty

in respect of non-compliance with any requirements of a regulatory nature;
or

(iii) any liability incurred by the director:

- (A) in defending any criminal proceedings in which he is convicted;
- (B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
- (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Article 34.1(a)(i), 34.1(a)(iii)(B) and 34.1(a)(iii)(C) applying;

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

34.2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

35. **SECRETARY**

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

36. **LIEN**

36.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (not being a fully paid share) for all monies (whether presently payable or not) payable at a fixed time or called in respect of that Share.

36.2 The Company's Lien over a Share:

- (a) shall take priority over any third party's interest in that Share; and

-
- (b) 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.
- 36.3 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.
- 36.4 Subject to the provisions of this Article 36, if:
- (a) a notice complying with Article 36.5 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,
- the Company shall be entitled to sell that Share in such manner as the Directors decide.
- 36.5 A Lien Enforcement Notice:
- (a) may only be given by the Company 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;
- (b) must specify the Share concerned;
- (c) must require payment of the sum within 14 days of the notice;
- (d) 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
- (e) must state the Company's intention to sell the Share if the notice is not complied with.
- 36.6 Where Shares are sold under this Article 36:
- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
- (b) 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.
- 36.7 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:
- (a) 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
- (b) second, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably acceptable to the Board has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as

existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

36.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

37. CALL NOTICES

37.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable to the Company at the date when the Directors decide to send the Call Notice.

37.2 A Call Notice:

- (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);
- (b) shall state when and how any call to which it relates is to be paid; and
- (c) may permit or require the call to be made in instalments.

37.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any call before 14 days have passed since the notice was sent.

37.4 Before the Company has received any call due under a Call Notice the Directors may:

- (a) revoke it wholly or in part; or
- (b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

37.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

37.6 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:

- (a) pay calls which are not the same; or

- (b) pay calls at different times.
- 37.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 37.8 If the due date for such sum as referred to in Article 37.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 37.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person must pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 37.10 For the purposes of Article 37.9:
- (a) the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "**Call Payment Date**" is that later date;
 - (b) the "**Relevant Rate**" shall be:
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent a year,
- provided that the Relevant Rate shall not exceed by more than five 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 Part 2 of the Bank of England Act 1998(a).
- 37.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 37.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

38. FORFEITURE OF SHARES

38.1 A notice of intended forfeiture:

- (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- (b) shall 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;
- (c) shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is no fewer than 14 days after the date of the notice;
- (d) shall state how the payment is to be made; and
- (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

38.2 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, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

38.3 Subject to these Articles, the forfeiture of a Share extinguishes:

- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

38.4 Any Share which is forfeited in accordance with these Articles:

- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited;
- (b) shall be deemed to be the property of the Company; and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.

38.5 If a person's Shares have been forfeited then:

- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person shall cease to be a Shareholder in respect of those Shares;
- (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;

-
- (d) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) the Directors shall be entitled to 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.
- 38.6 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 and expenses due in respect of it and on such other terms as they think fit.
- 38.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 38.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 38.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 38.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- (a) was, or would have become, payable; and
 - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

39. SURRENDER OF SHARES

- 39.1 A Shareholder shall be entitled to surrender any Share:
- (a) in respect of which the Directors issue a notice of intended forfeiture;
 - (b) which the Directors forfeit; or
 - (c) which has been forfeited.

-
- 39.2 The Directors shall be entitled to accept the surrender of any such Share.
- 39.3 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 39.4 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

40. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 40.1 The Board may, if authorised to do so by an ordinary resolution (with Investor Majority Consent):
- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion (with Investor Majority Consent) deem appropriate (the "**Shareholders Entitled**").

Article 36 of the Model Articles shall not apply to the Company.

- 40.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may in its absolute discretion (with Investor Majority Consent) deem appropriate.
- 40.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 40.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 40.5 Subject to the Articles the Board may:
- (a) apply Capitalised Sums in accordance with Articles 40.3 and 40.4 partly in one way and partly another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 40; and
 - (c) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 40.