

Company No: 04564594

The Companies Act 1985 (as amended)

Private Company Limited by Shares

WRITTEN RESOLUTIONS

OF

MICROTEST MATRICES LIMITED
(the "Company")

Pursuant to Regulation 53 of Table A as adopted by the articles of association of the Company, we, the undersigned, being the holders of all the shares giving a right to attend and vote at a general meeting of the Company, hereby pass the following resolutions as a special resolution:

SPECIAL RESOLUTION

THAT the Company adopt new Articles of Association in substitution for, and to the exclusion of, the existing Articles of Association of the Company in the form attached to this written resolution.

Signed:.....*Seen*.....
For and on behalf of
Imperial College Innovations

Dated...*11 Feb*.....2007 *3*



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COMPANIES HOUSE 13/02/03

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
MICROTEST MATRICES LIMITED
(the "Company")

Adopted by Special Resolution passed on ~~11 December 2002~~ ^{11 February 2003}

PRELIMINARY

1. Definitions and interpretation

1.1 In these Articles:

"Acquirer" has the meaning ascribed to it in the definition of "Majority Change of Control";

"Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

"Associated Bodies" means:

- (a) Imperial; or
- (b) any company or body corporate which is a subsidiary of Innovations or Imperial;

"Auditors" means the auditors appointed by the Company under the Act from time to time as the auditors of the Company;

"Board" means the board of Directors of the Company for the time being;

"Business Day" means a day (except for Saturday) when the clearing banks are open for business in London;

"Director" means a director of the Company appointed from time to time by the Shareholders or the Directors in accordance with the terms of these Articles;

"Family Trust" means, as regards any particular individual member or deceased or former individual member, a trust (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 that individual and/or Privileged Relations of that individual; and for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or if any voting or other rights attaching thereto are or may become liable to be 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;

"Founders" means Professor Andrea Crisanti and Dr. Tito Bacarese-Hamilton and **"Founder"** means either one of them;

"Group" means a body corporate and any holding company of which it is a subsidiary and any other subsidiaries of that holding company (including any subsidiary of the body corporate) and references to a "member of the Group" or a "Group member" shall be construed accordingly. **"Subsidiary"** and **"holding company"** shall have the meanings set out in section 736 of the Act;

"Innovations" means Imperial College Innovations Limited of Sherfield Building, Imperial College, London, SW7 2AZ;

"Imperial" means Imperial College of Science, Technology and Medicine of London, SW7 2AZ;

"Imperial Group" means Innovations and its Associated Bodies;

"Issue Price" means the amount paid up or credited as paid up (including any premium on issue) on the Share concerned;

"Listing" means the listing of all or part of the Ordinary Shares on NASDAQ, the Alternative Investment Market or the Official List of the London Stock Exchange Plc or any recognised investment exchange as defined in the Financial Services and Markets Act 2000 or such other public share or stock exchange as the Board shall determine;

"Majority Change of Control" means the acquisition (whether by purchase, transfer or otherwise but excluding a subscription or a transfer of Shares made in accordance with Article 9.3 (Permitted Transfers)) by any person, including a member of the Company (an **"Acquirer"**), of any interest in any Shares if, upon completion of that acquisition, the Acquirer, together with persons acting in concert or connected with him, would hold or beneficially own more than 50 per cent of the Shares;

“**Ordinary Shares**” means the ordinary shares of £0.01 each in the capital of the Company;

“**Privileged Relation**” means, in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and all the lineal descendants and ascendants in direct line of such member and the brother and sisters of such member and their lineal descendants and a husband or wife or widower or widow of any of the above persons and for the purpose aforesaid a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant;

“**Sale**” means the acquisition by any person of 100 per cent of the Shares or all of the Shares not already owned by the acquirer or the acquisition by any person of the whole or substantially the whole of the business and undertaking of the Company;

“**Shareholders**” means the holders of Shares and “**Shareholder**” means any of them;

“**Shares**” means the Ordinary Shares and any other shares in the capital of the Company from time to time in issue;

“**Valuers**” means the Auditors, unless:

- (a) a report on Market Value is to be made pursuant to a deemed Transfer Notice and, within 21 days after the date of the deemed Transfer Notice, the Vendor notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors decline an instruction to determine Market Value,

in which case the Valuers for the purpose of that report shall be a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 20 days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board.

1.2 *In these Articles unless the context otherwise requires:*

1.2.1 words in the singular include the plural and vice versa;

1.2.2 words importing any gender include all genders; and

1.2.3 a reference to a person includes a reference to a body corporate and to an unincorporated body of persons;

1.2.4 save to the extent modified by this Article 1, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force on the date of the adoption of these Articles.

2. A reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it for the time being in force.

3. The Company is a private company within the meaning of section 1 of the Companies Act 1985. Accordingly the Company shall not offer to the public (whether for cash or otherwise) any Shares in or debentures of the Company or allot or agree to allot (whether for cash or otherwise) any Shares or debentures being offered for sale to the public.

4. Subject as hereinafter provided the Regulations set out in Table A of the Schedules to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A") shall apply to this Company.

5. The following Regulations of the said Table A shall not apply to this Company: 40, 41, 42, 46, 47 48, 50, the last sentence of 66, 73, 74, 75, 76, 77, 78, 79, 80, 88, 89, 90, 91 and the last sentence of 112.

6. CAPITAL

6.1 The authorised share capital of the Company at the date of adoption of these Articles is £1,000 divided into 100,000 Ordinary Shares of £0.01 each.

6.2 Each Share shall carry the right to one vote at general meetings of the Company and all the Shares shall rank pari passu for all purposes save as set out in these Articles regardless of the nominal value thereof or the price at which they were issued.

6.3 Subject to Chapter VII of the Act, and to Regulation 35 of Table A, the Company may purchase its own Shares (including redeemable shares) whether out of distributable profits or the proceeds of a fresh issue of Shares or otherwise.

6.4 Subject to Chapter VII of the Act, any Shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, at the option of the Company or the shareholder, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may by special resolution determine, and whether out of distributable profits or the proceeds of a fresh issue of Shares or otherwise.

6.5 Subject to Chapter VI of the Act, the Company may give financial assistance for the purpose of or in connection with any acquisition of Shares made or to be made in the Company or its holding company.

7. **LIEN**

The lien conferred by Regulation 8 of Table A shall attach to all Shares whether fully paid or not and to all Shares registered in the name of any person indebted or under liability to the Company whether it be the sole holder thereof or one of two or more joint holders.

8. **TRANSFER OF SHARES**

8.1 No Shareholder shall purport to dispose of or otherwise transfer an interest in any of the Shares held by it other than by a disposal in accordance with these Articles and as may be permitted pursuant to any agreement in writing between all the Shareholders.

8.2 The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.

8.3 The Directors shall register any transfer of Shares which is effected with the consent in writing of all the other Shareholders or pursuant to any agreement in writing between all the Shareholders.

9. **PERMITTED TRANSFERS, PRE-EMPTION ON TRANSFER, MANDATORY TRANSFERS AND OFFERS TO PURCHASE**

9.1 Except as may be permitted by these Articles, none of the Shareholders shall assign, transfer, mortgage, charge, pledge or otherwise dispose of or encumber in any manner whatsoever and whether in whole or in part its legal or beneficial interest in its holding of Shares in the Company or any right or obligation under these Articles or any other right or obligation as a member of the Company.

9.2 Save in accordance with the provisions of Articles 9.3, 9.31 or 9.32, none of the Founders (nor any of their respective permitted transferees) shall be entitled to transfer or otherwise dispose of any of his Shares until the earliest of:

9.2.1 three years from the date of adoption these Articles; or

9.2.2 a Sale; or

9.2.3 such date after the date of a Listing as determined by an appointed sponsor for such Listing.

Permitted Transfers

- 9.3 Notwithstanding the provisions of Article 9.2, each Shareholder may transfer all or any of its Shares in accordance with the following provisions following notification to the Board:
- 9.3.1 an individual Shareholder (not being in relation to the Shares concerned a holder thereof as a trustee of a Family Trust) may transfer any of his Shares to the trustees of a Family Trust related to such individual Shareholder or to a Privileged Relation of that Shareholder;
 - 9.3.2 where Shares are held by trustees of a Family Trust, they may, on any change of trustees, be transferred to the new trustees of the Family Trust concerned;
 - 9.3.3 the trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a beneficiary of that Family Trust;
 - 9.3.4 Shares may be transferred without restriction by a nominee or trustee to the beneficial owner of such Shares or to another nominee or trustee of the same beneficial owner;
 - 9.3.5 Shares may be transferred by a corporate Shareholder to another member of its Group; and
 - 9.3.6 Shares may be transferred by any member of the Imperial Group to another member of the Imperial Group.
- 9.4 If any trust to which Shares have been transferred pursuant to Article 9.3.1 ceases to be a Family Trust then the trustees of that trust shall be deemed, upon such cessation, to have served the Company with a Transfer Notice (as defined in Article 9.9) in respect of the Shares concerned.
- 9.5 If a person to whom Shares have been transferred pursuant to Article 9.3.1 ceases to be a Privileged Relation of the transferor then he shall be deemed, upon such cessation, to have served the Company with a Transfer Notice in respect of the Shares concerned.
- 9.6 If a corporate Shareholder (other than a member of the Imperial Group) to which Shares have been transferred pursuant to Article 9.3.5 ceases to be a member of the same Group as the original Shareholder who held such Shares then it shall be deemed, upon such cessation, to have served the Company with a Transfer Notice in respect of the Shares concerned.

9.7 If a Transfer Notice is deemed to have been served on the Company under Article 9.4, 9.5 or 9.6 then the provisions of Articles 9.9 to 9.23 inclusive shall apply to those Shares.

9.8 Any Transfer Notice deemed to have been served on the Company under Article 9.4, 9.5 or 9.6 shall be deemed not to contain a Total Transfer Condition (as defined in Article 9.10.5) and shall be irrevocable.

Transfer of Shares

9.9 Except as permitted under Article 9.3 and subject to the provisions of Article 9.2, any Shareholder (a "**Vendor**") shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer.

9.10 In the Transfer Notice, the Vendor shall specify:

9.10.1 the number and class of Shares ("**Sale Shares**") which he wishes to transfer;

9.10.2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares;

9.10.3 the price per Share at which the Vendor wishes to transfer the Sale Shares (the "**Proposed Sale Price**");

9.10.4 any other terms relating to the transfer of the Sale Shares (and such terms may not be terms which are prohibited by these Articles); and

9.10.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 9 (a "**Total Transfer Condition**").

9.11 Each Transfer Notice shall:

9.11.1 relate to one class of Shares only;

9.11.2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of Articles 9.12 to 9.23 and shall, save as provided in Article 9.13, be irrevocable; and

9.11.3 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise or as required by these Articles.

9.12 The Sale Shares shall be offered for purchase in accordance with this Article 9 at:

- 9.12.1 a price per Sale Share agreed between the Vendor and the Board; or
- 9.12.2 in default of agreement under Article 9.12.1 within 21 days after the date of service of the Transfer Notice, the lower of:
- (i) the Proposed Sale Price; and
 - (ii) if the Board elects within 28 days after the date of service of the Transfer Notice to instruct Valuers for that purpose, the price per Share determined by the Valuers as their written opinion of the open market value of each Sale Share in accordance with Article 9.21 (the "Market Value") as at the date of service of the Transfer Notice.

The price per Sale Share agreed or determined in accordance with this Article 9.12 shall be referred to as the "Sale Price".

- 9.13 If the Market Value determined by the Valuers under Article 9.12.2(ii) is less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may, subject to Articles 9.8 and 9.26.3, revoke the Transfer Notice by written notice given to the Board within the period (the "Withdrawal Period") of 14 days after the date on which the Board serves on the Vendor the Valuers' written opinion of the Market Value.
- 9.14 The Board shall invite applications to purchase the Sale Shares at the Sale Price by a written invitation (the "Invitation") served on all Shareholders within 7 days after the Sale Price is agreed or determined under Article 9.12 or, if the Transfer Notice is capable of being revoked under Article 9.13, within 7 days after the expiry of the period for revocation in Article 9.13.
- 9.15 An Invitation shall:
- 9.15.1 specify the Sale Price;
 - 9.15.2 expire 30 days after its service;
 - 9.15.3 contain the other details included in the Transfer Notice; and
 - 9.15.4 invite the relevant Shareholders to apply in writing, before expiry of the Invitation, to purchase the numbers of Sale Shares specified by them in their application.
- 9.16 After the expiry date of the Invitation the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:

- 9.16.1 if there are applications from any class of Shareholders for more than the number of Sale Shares available for that class of Shareholders, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the relevant class then held by them respectively;
- 9.16.2 if it is not possible to allocate any of the Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applications of the relevant class in such manner as the Board thinks fit; and
- 9.16.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
- 9.17 The Board shall, within 7 days of the expiry of the Invitation, give notice in writing (a "Sale Notice") to the Vendor and to each person to whom Sale Shares have been allocated (each a "Purchaser") specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them and the time for completion of each sale and purchase.
- 9.18 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week and not more than one month after the expiry of the Invitation, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.
- 9.19 The Vendor may, during the period falling between one and six months after the expiry of the Invitation, sell any Sale Shares for which a Sale Notice has not been given by way of bona fide sale to any person at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:
- 9.19.1 the Board shall be entitled to refuse registration of the proposed transferee if the transferee is believed by the Board to be a competitor or connected with a competitor of any business of the Company or a nominee of such person; and
- 9.19.2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this Article 9.19 save with the written consent of the other Shareholders.
- 9.20 If a Vendor fails to transfer any Sale Shares when required pursuant to this Article 9, the Board may authorise any person (who shall be deemed to be the attorney of the

Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf. The Company may receive the purchase money for the Sale Shares from the Purchaser and shall, upon receipt of the transfer duly stamped, register the Purchaser as the holder of those Sale Shares. The Company shall hold the purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the Purchaser (who shall not be concerned to see to the application of it) and, after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article, the validity of that exercise shall not be questioned by any person.

9.21 If instructed to give their opinion of Market Value under Article 9.12.2(ii), the Valuers shall:

9.21.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders, save in the case of manifest error; and

9.21.2 proceed on the basis that:

- (i) the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form part, divided by the number of issued Shares then comprised by that class;
- (ii) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding that is the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and
- (iii) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

9.22 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 28 days of the Board electing to instruct them under Article 9.12.

9.23 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the Purchasers *pro rata* to the number of Sale Shares purchased by them, unless:

9.23.1 the Vendor revokes the Transfer Notice pursuant to Article 9.13; or

9.23.2 none of the Sale Shares are purchased pursuant to this Article 9,

in which case the Vendor shall pay all the Valuers' fees.

Mandatory Transfers

9.24 If at any time before the expiry of three years from the date of adoption of these Articles a Founder's consultancy contract or employment contact with the Company or his employment contract with Imperial is terminated before its full term has been completed then, within six months after such termination, the Directors may serve notice on such Founder and/or his Family Trust and/or any Privileged Relation of his requiring the person so notified to give a Transfer Notice in respect of the proportion (calculated as set out below) of the Shares registered in the name of:

9.24.1 the relevant Founder; and/or

9.24.2 his Family Trust and/or his Privileged Relation (other than Shares which were not acquired by such holders) either:

9.24.2.1 directly or indirectly from the Founder; or

9.24.2.2 by reason of their being a Privileged Relation of the Founder or a Family Trust related to the Founder.

If the Founder or his Family Trust or his Privileged Relation (as the case may be) fails to give a Transfer Notice within five Business Days of being served with such notice by the Directors, he/it shall be deemed to have served the Company with a Transfer Notice in respect of the relevant Shares. The proportion of the Shares registered in the relevant Founder's name or in the name of his Family Trust or in the name of his Privileged Relation in relation to which the Directors may serve such notice shall be calculated as follows:

- (a) in the period from the date of adoption of the Articles up to (and including) the second anniversary of the adoption of the Articles, the proportion shall be 80%;
- (b) in the period from the date of the second anniversary up to (and including) the third anniversary of the adoption of the Articles, the proportion shall be 60%.

9.25 Notwithstanding any other provision of these Articles, any Shareholder holding Shares in respect of which a Transfer Notice is given or is deemed to have been given pursuant to Article 9.24 shall (if he was previously a Director) be deemed to have resigned from the Board and shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Transfer Notice or deemed Transfer Notice and the expiry of one month

after the date of the Transfer Notice given or deemed to have been given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares.

9.26 The Shares that are the subject of any Transfer Notice given or deemed to have been given pursuant to Article 9.24 shall be offered for sale in accordance with Articles 9.12 to 9.23 as if they were Sale Shares in respect of which a Transfer Notice had been given, save that:

9.26.1 a Transfer Notice which is deemed to have been given pursuant to Article 9.24 shall be deemed to have been given on the date on which the relevant person ceased to be an employee of, or consultant to, the Company or an employee of Imperial or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the deemed Transfer Notice are tabled or, if the Directors so resolve, at any time up to 6 months after such date of cessation;

9.26.2 subject to Article 9.27, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 21 days after the date on which the Transfer Notice is given or is deemed to have been given pursuant to Article 9.24, the Market Value, less in each case any dividends on the Sale Shares referred to in Article 9.26.5 and retained by the Vendor;

9.26.3 a Transfer Notice which is given or is deemed to have been given pursuant to Article 9.24 shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;

9.26.4 the Vendor may retain any Sale Shares for which Purchasers are not found or, during the period between one and six months after the expiry of the relevant Invitation and with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any Shareholders) at any price per Sale Share which is not less than the Sale Price;

9.26.5 the Sale Shares shall be sold together with all rights attaching thereto as at the date on which the Transfer Notice is given or is deemed to have been given pursuant to Article 9.24, including the right to any dividend declared or payable on those Shares after that date; and

9.26.6 Article 9.29 shall apply.

9.27 If the person whose ceasing to be an employee of, or a consultant to, the Company or an employee of Imperial gave rise to the Transfer Notice in question being given or deemed to have been given pursuant to Article 9.24 is a Bad Leaver (as defined in Article 9.28) the Sale Price for the Sale Shares which are the subject of the Transfer

Notice or deemed Transfer Notice shall be their Issue Price or their Market Value, whichever is the lower.

9.28 A Founder to whom Article 9.24 applies is a "Bad Leaver" unless:

9.28.1 the reason for his ceasing to be an employee of, or consultant to, the Company or an employee of Imperial (as the case may be) is:

9.28.1.1 his death; or

9.28.1.2 his being, in the reasonable opinion of the Board, permanently incapable, by reason of ill health or injury, of discharging his duties as an employee of, or a consultant to, the Company (or as an employee of Imperial); or

9.28.1.3 the termination of any contract of employment with the Company (or Imperial) by the Company (or Imperial) where such termination is determined by a court or an Employment Tribunal (or agreed by the Company) to have been an unfair or wrongful dismissal; or

9.28.1.4 the termination of any consultancy arrangement with the Company by the Company in circumstances where:

(i) such termination constitutes a breach by the Company of the agreement relating to such consultancy arrangement; or

(ii) the agreement relating to the such arrangement is validly terminated due to sickness or injury; or

(iii) such termination is effected other than because of (a) the consultant's misconduct, (b) a material or persistent breach of the agreement relating to such arrangement by the consultant, (c) the consultant being convicted of a criminal offence or (d) the consultant becoming bankrupt or making any arrangement with his creditors; or

9.28.2 the Board in its absolute discretion determines that for the purposes of this Article 9.28 the Founder should not be treated as a Bad Leaver.

9.29 A dispute as to whether a Founder is a Bad Leaver shall not affect the validity of any Transfer Notice which is given or deemed to have been given pursuant to Article 9.24, but any person who acquires Sales Shares pursuant to such a Transfer Notice

shall pay to the Vendor their Issue Price (or, if lower, their Market Value) and shall pay the difference between their Issue Price and their Market Value (if greater than the Issue Price) to the Company. The Company shall hold that difference in a separate bank account as trustee to pay it, and interest earned thereon, upon final determination of the dispute, to the Purchaser, if the relevant Founder is a Bad Leaver and to the Vendor if he is not.

9.30 Warehousing of Shares

9.30.1 Excepting transfers under Articles 9.31 and 9.32 and notwithstanding the provisions of Articles 9.9 to 9.23, if any Shares are the subject of a Transfer Notice or a deemed Transfer Notice, the Shareholders (by the approval of 75% in nominal value of the Shares held by the Shareholders other than the Shareholder whose Shares are the subject of the Transfer Notice (the "**Relevant Shareholder**")) may at any time during the period of validity of the Invitation served in respect of the Shares in question (pursuant to Article 9.14) direct in writing (the "**Direction**") that the relevant Shares be first offered by the Relevant Shareholder to such person as is specified in the Direction, which shall, for the avoidance of doubt, include the Company (pursuant to a lawful application of Chapter VII of the Act) or an employee trust for the benefit of employees of the Company. If the person named in the Direction as the offeree accepts (in writing) the offer for the relevant Shares within five Business Days of the date of the giving of the Direction, the relevant Shares shall be transferred by the Relevant Shareholder to that person (the "**Purchaser**") at the Sale Price as soon as practicable after his acceptance of the offer.

9.30.2 Completion of a sale of Shares pursuant to this Article 9.30 shall take place not more than thirty days after the date of acceptance by the Purchaser.

9.31 Tag Along

9.31.1 Notwithstanding any other provision in these Articles, no sale or transfer or other disposition of any interest in any Shares (the "**Specified Shares**") shall have any effect if it would result in a Majority Change of Control unless before the transfer is lodged for registration the Acquirer has made a bona fide offer in accordance with this Article 9.31 to purchase in cash at the Specified Price (as defined in Article 9.31.3) all the Shares held by the Shareholders (except any Shareholder which has expressly waived its right to receive such an offer for the purpose of this Article 9.31).

9.31.2 An offer made under Article 9.31.1 shall be in writing open for acceptance for at least 21 days, and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within 21 days, and the

consideration under such an offer shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

9.31.3 For the purpose of Article 9.31.1:

- (i) the expressions "transfer", "transferor" and "transferee" include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such a letter; and
- (ii) the expression "Specified Price" means a cash amount which is the higher of:
 - (a) a price per Share equal to the highest price paid or payable by the Acquirer or persons acting in concert with him or connected with him for any Shares (including the Specified Shares) within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the Specified Shares; and
 - (b) a price per Share equal to the Issue Price thereof.

9.32 Drag Along

9.32.1 If any one or more Shareholders holding between them not less than 75% of the Shares (together the "Selling Shareholders") wish to accept a bona fide arm's length offer for all of their Shares, the Selling Shareholders or, after the transfer by them to the Acquirer of the Shares in question, the Acquirer shall have the option (the "Drag Along Option") to require all the other holders of Shares to transfer all their Shares to the Acquirer or as the Acquirer shall direct in accordance with this Article 9.32;

9.32.2 The Selling Shareholders or the Acquirer may exercise the Drag Along Option by giving notice to that effect (a "Drag Along Notice") to all such other Shareholders (the "Called Shareholders") at any time after the Selling Shareholders have agreed to transfer the Shares in question to the Acquirer. A Drag Along Notice shall specify the fact that the Called Shareholders are required to transfer all their Shares (the "Called Shares") pursuant to Article 9.32.1, the price at which the Called Shares are to be transferred (calculated in accordance with Article 9.32.4) and the proposed date of transfer.

9.32.3 A Drag Along Notice is irrevocable but a Drag Along Notice and all obligations thereunder will lapse if it is given before the transfer from the Selling Shareholders to the Acquirer of the Shares in question and for any reason the transfer of the Shares in question is not effected within 6 months of the date of the Drag Along Notice.

9.32.4 The Called Shareholders shall be obliged to sell the Called Shares at the price per Share at which the relevant transfer of Shares referred to in Article 9.32.1 takes place or took place.

9.32.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Selling Shareholders or the Acquirer except that:

- (i) such person may not specify a date that is less than 14 days after the date of the Drag Along Notice; and
- (ii) if the Drag Along Notice is given by the Selling Shareholders, the date specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of their Shares to the Acquirer

unless all of the Called Shareholders, the Selling Shareholders and the Acquirer agree otherwise.

9.32.6 If any of the Called Shareholders shall make default in selling its Shares in accordance with this Article 9.32, the Acquirer or (where the Acquirer is a company) any director of the Acquirer or other person duly nominated by resolution of the Board for that purpose shall forthwith be deemed to be the duly appointed attorney of such Called Shareholders with power to execute, complete and deliver in the name and on behalf of such Called Shareholders a transfer of the relevant Called Shares and any such director may receive and give a good surcharge of the purchase money on behalf of such Called Shareholders and (subject to the transfer being duly stamped) the Company may enter the name of the third party in the register of members as the holder or holders by transfer of the Called Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for such Called Shareholders until they shall deliver up a certificate or certificates for the relevant Shares to the Company and they shall thereupon be paid by the purchase money.

10. NOTICE OF GENERAL MEETING

Regulation 38 of Table A shall be amended so that all annual general meetings and extraordinary general meetings of the Company shall be called by at least twenty-one clear days' notice. The provisions contained in that Regulation for calling a general meeting by shorter notice shall continue to apply.

11. PROCEEDINGS AT GENERAL MEETINGS

- 11.1 No business shall be transacted at any general meeting of the Company unless a quorum is present. The quorum for all general meetings of Shareholders of the Company shall be two members present in person or by proxy. If a quorum is not present within half an hour of the time fixed for any such meeting, that meeting shall be adjourned for five Business Days to be reconvened (if possible) at the same time and place, and notice thereof shall be given to the Shareholders.
- 11.2 The Chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the general meeting, but if neither the Chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 11.3 At any general meeting a resolution put to the vote of the meeting shall be decided by a poll and the number or proportion of the votes recorded in favour of or against such resolution shall be recorded in the Company's minute book. Regulation 54 of Table A shall be amended accordingly. In the event of an equality of votes the Chairman shall not have a second or casting vote.
- 11.4 On a poll taken at a general meeting each Shareholder shall have one vote for each Share of which he is the holder.
- 11.5 For the purposes of a resolution in writing pursuant to Regulation 53 of Table A the execution, in the case of a corporation, by a director or the secretary thereof and, in the case of joint holders of a Share, by or on behalf of any one of such joint holders, shall be sufficient.

12. DIRECTORS

- 12.1 The quorum for all meetings of the Board (or of any committee of directors appointed by the Board) shall be two directors of whom one shall be the director appointed by Innovations and one shall be a director appointed by either of the Founders. If a quorum is not present within half an hour of the time fixed for any such meeting, or within such longer time as those Directors present within half an hour of the time fixed for the meeting shall agree, that meeting shall be adjourned

for five Business Days to be reconvened (if possible) at the same time and place, and notice thereof shall be given to the Directors. The Quorum for any adjourned meeting held in accordance with the provisions in this Article shall be two directors and, for the avoidance of doubt, shall not require the presence of any specific representative director. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.

- 12.2 Any Director may participate in a meeting of the Board by means of conference telephone or similar communications facilities whereby all the Directors participating in the meeting can hear each other and all the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 12.3 A director or the secretary of a corporation shall be deemed to be a duly authorised representative of that corporation and shall be entitled to exercise the same powers on behalf of that corporation as that corporation could exercise if it were an individual shareholder, creditor or debenture holder of the Company.
- 12.4 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Board. It shall be necessary to give at least 7 clear days' notice of such meeting to all Directors (even if not in the United Kingdom), unless all Directors accept shorter notice. Resolutions of a meeting of the Board shall be approved if and only if a majority of votes of the Directors are cast in favour thereof. In the case of an equality of votes, the chairman shall not have any second or casting votes. A Director who is also an alternate director shall be entitled, in the absence of his appointor, to a separate vote on behalf of his appointor in addition to his own vote.
- 12.5 A Director need not hold Shares in the Company, and no Director shall be subject to retirement by rotation.
- 12.6 The Company shall not be subject to section 293 of the Act and accordingly any person may be appointed as a Director, whatever his age, provided that such appointment is in accordance with any agreement between the Shareholders, and no Director shall be required to vacate his office of Director by reason of his attaining or having attained the age of seventy years or any other age.
- 12.7 Subject to the provision of section 317 of the Act a Director may contract with the Company and participate in the profits of any contracts or arrangements involving the Company as if he were not a Director. A Director shall also be capable of voting in respect of such contracts or arrangements, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company, or in respect of the terms thereof, and may be counted in the quorum at any meeting at which any such matter is considered.

12.8 Each of the Founders shall, for so long as he or any person to whom he shall have transferred his Shares pursuant to Article 9.3 holds 10% or more of the Company, be entitled to appoint one Director and to remove such person from office and to appoint another person in his place.

12.9 Innovations shall for so long as it or any person to whom it shall have transferred its Shares pursuant to Article 9.3 holds 10% or more of the Company, be entitled to appoint two Directors and to remove such persons from office and to appoint another person in their place.

13. **BORROWING POWERS OF THE DIRECTORS**

The Directors of the Company may exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not, and to mortgage or charge its undertaking, property or uncalled capital, or any part thereof, and subject to section 80 of the Act to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

14. **INDEMNITY**

14.1 Subject to the provisions of the Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every Director, alternate Director, secretary or other officer of the Company (not including the Company's auditors) shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties. Regulation 118 of Table A shall be extended accordingly.

14.2 The Directors may exercise all the powers of the Company to purchase and maintain for every Director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

15. **THE COMPANY SEAL**

Pursuant to section 36A of the Act, as introduced by section 130 of the Companies Act 1989, the Company can execute documents and deeds without the use of a seal, and any Share certificate signed by a Director and Secretary or by two Directors shall be as valid as a certificate sealed with the seal of the Company, and Regulations 6 and 101 of Table A shall be amended accordingly. The Company may in accordance with section 39 of the Act have an official seal for use in any territory, district or place elsewhere than in the United Kingdom, but the official seal shall only be used by a Director and Secretary or by two Directors or by such person or persons on such occasions and in such circumstances as are specifically authorised

by a resolution of the Board, who shall have the authority to amend, suspend or withdraw such authority as they think fit.