

EGM Minutes

Switched Energy Limited

No: 10408051

MONDAY



The Companies Act 2006 (as amended)

Private company limited by shares

MINUTES OF EXTRAORDINARY GENERAL MEETING

Present: Llewellyn Kinch (Chairman)
Thomas Rogers (director)
Adrian Cunliffe (director)

- 1. At a Meeting of shareholders held at [5:30] a.m./p.m. 09th June 2017 at The Workary, Notting Hill Library, W2 4EW the following Resolutions were passed unanimously, following an informal discussion between those present. The following shareholders were unable to attend but some supplied a completed vote by proxy as per below:

Resolutions:

- a. An Ordinary Resolution that a new Employee Share Option Plan ("Option Plan") as tabled be adopted;
b. 1a Special Resolution that the Articles of Association of the Company be amended to conform with the Option Plan, and to update them generally, in accordance with the redlined document tabled, as amended by the Chairman to correct any errors;
c. an Ordinary Resolution that Specific authorisation be given to the Board to issue up to 6,500 EMI Scheme Ordinary Shares, in accordance with the Option Plan and the amended Articles of Association;
d. [an Ordinary Resolution to authorise the Board to issue up to [x (number)] A Ordinary Shares to [new investor(s)] at a minimum price of £[x (number)] per new ordinary share at any time up to [date 2017/2018]]; and
e. there being no other business, the meeting closed.

The Directors were requested to file the Amended Articles.

The votes cast were:

Table with 4 columns: Shareholder, Shareholder Votes, Vote, By Proxy. Rows include Llewellyn Kinch, Thomas Rogers, Adrian Cunliffe, Rasiklal Parekh, Richard Kenyon.

Signed:

A handwritten signature in cursive script, appearing to read "Wendell Smith", written over a horizontal dotted line.

Chairman

A handwritten signature in cursive script, appearing to read "D. W.", written over a horizontal dotted line.

Director

A handwritten signature in cursive script, appearing to read "P. J.", written over a horizontal dotted line.

Director

Articles

Articles of Association

No: 10408051

The Companies Act 2006 (as amended)

Private company limited by shares

Articles of Association

of

Switched Energy Limited ("the Company")

(as adopted by Special Resolution passed on 09/06/2017)

1. PRELIMINARY

1.1 Table A

Except as otherwise provided in these Articles, the regulations contained or incorporated in Table A shall apply to the Company.

1.2 Disapplication of regulations

Regulations 1, 2, 3, 8, 17, 29-31, 35, 38, 39, 50, 53, 64, 65-69, 81, 87, 89, 90, 93, 94, 95, and 108 of Table A shall not apply to the Company.

1.3 The Act

These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.

1.4 Definitions

In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"A Ordinary Shares" has the meaning given in Article 3.2;

"A Ordinary Shareholder" means a person holding A Ordinary Shares;

"Acceptance Period" has the meaning ascribed to it in Article 9.2 (First pre-emptive offer);

"Act" means the Companies Act 2006 (as amended) including any statutory modification or re-enactment thereof for the time being in force;

"these Articles" means these articles of association of the Company;

"Auditor(s)" means the auditors for the time being of the Company;

"Board" means the board of Directors of the Company;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"Communication" means the same as in the **Electronic Communications Act 2000**

"Controller" means for the purposes of Article 8.5 (Transfers by corporate shareholders) in relation to a corporate member a person who has the power or ability to direct the management or the policies of the corporate member, whether through the ownership of voting capital, by contract or otherwise;

"Controlling Interest" means an interest (within the meaning of Sections 820-825 of the Act) in shares conferring in aggregate more than 50 per cent. of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue;

"Departing Employee Shareholder"; an Employee Shareholder who hold shares that were issued under Share Options and who ceases to be a director or employee of the Company and who does not continue as, or become, a director or employee of any other Group Company;

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

"Electronic Communication" means the same as in the **Electronic Communications Act 2000**;

"Employee" means an individual who is for the time being an employee of the Group or is to become an employee of the Group by reason of his acceptance of an unconditional offer of employment by any company in the Group to such person;

"Employee Shareholder"; a Shareholder who is, or has been, a director and/or an employee of the Company;

"Enterprise Management Incentive Plan" means any plan in respect of Share Options and Option Holders under the Enterprise Management Incentive rules which has been approved by HMRC;

"Family Trust" means a trust of which the only trustees are a Shareholder or a Privileged Relation or a professional trustee company under which no immediate beneficial interest in the shares in question is for the time being or may in the future be vested in any person other than the Shareholder concerned or a Privileged Relation of such Shareholder and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the Shareholder concerned or a Privileged Relation of such Shareholder;

"Founders" means Llewellyn Kinch and Thomas Rogers;

"Group" means the Company and its subsidiaries from time to time and any holding company of the Company and any subsidiaries of such holding company from time to time and "Group Company" means any of them;

"Listing" means the admission of any part of the equity share capital of the Company to the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's market for listed securities or the grant of permission by the London Stock Exchange plc to deal in any of the Company's shares on the AIM market of the London Stock Exchange plc or on any other investment exchange in relation to which a recognised order granted by the Financial Services Authority is in force and such permission becoming effective;

"Option Shares" means shares which are held by Employee Shareholders because of the prior exercise of options under the Enterprise Management Incentive Plan or by any other person who has exercised share options over Ordinary Shares;

"Ordinary Shares" means ordinary shares of 0.001p each in the capital of the Company;

"Permitted Transfer" means any transfer of Shares which is permitted pursuant to Article 8 (Permitted transfers);

"Permitted Transferee" means a person to whom Shares are transferred pursuant to Article 8 (Permitted transfers);

"Privileged Relation" means in relation to a Shareholder, the spouse or widow or widower of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children;

"the Proposing Transferor" has the meaning ascribed to it in Article 9.1 (Service of Transfer Notice);

"Sale Shares" has the meaning ascribed to it in Article 9.1 (Service of Transfer Notice);

"Shareholder" means a holder for the time being of Shares;

"Share Options" means options to acquire Shares under the Enterprise Management Incentive Plan or otherwise;

"Shares" means issued Ordinary Shares or A Ordinary Shares in the capital of the Company from time to time;

"Specified Shares" has the meaning ascribed to it in Article 10.1 (Transfers - change of control);

"Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended);

"Transfer Notice" has the meaning ascribed to it in Article 9.1 (Service of Transfer Notice);

"the United Kingdom" or "UK" means Great Britain and Northern Ireland; and

"Wholly-owned Group" means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate).

1.5 Interpretation

- (a) Unless the context otherwise requires, words or expressions contained in these Articles and in the regulations of Table A that apply to the Company bear the same meaning as in the Act, but excluding any statutory modification thereof not in force when these Articles become binding on the Company;
- (b) words importing the singular only shall include the plural and vice versa;
- (c) words importing the masculine gender shall include the feminine gender and words importing natural persons shall include also corporations;
- (d) references in these Articles to:
 - (i) **"employees"** shall be deemed to include consultants and Directors and contracts of, commencement or cessation of, employment shall include contracts for, commencement or cessation of, consultancy or Directorship;
 - (ii) a **"share"** shall include any interests in shares where property is held on trust according to the law of England and Wales and an interest in shares is comprised in that property, an interest in reversion or remainder or of a bare trustee or a custodian trustee and any discretionary interest and where an interest for the life of himself or of another person under a settlement in the case of which the property comprised in the settlement consists of or includes shares and the settlement is

irrevocable and the settlor has no interest in any income arising under or property comprised in the settlement;

(iii) the terms "subsidiary" and "holding company" and "subsidiary undertaking" and "parent undertaking" shall have the respective meanings given to them in Sections 1159, 1160 and 1162 and Schedules 6 and 7 of the Act.

(e) the headings in these Articles are for convenience only and do not affect the interpretation of these Articles.

2. PRIVATE COMPANY

The Company is a private company within the meaning of Section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. SHARE CAPITAL

3.1 The authorised share capital of the Company at the date of adoption of these Articles is £100 divided into 9,932,660 Ordinary Shares and 67,340 A Ordinary Shares each of 0.001p per share.

3.2 The A Ordinary Shares shall have the right to vote *pari passu* with the Ordinary shares and shall otherwise have the same rights as the Ordinary Shares, but the A Ordinary Shareholders shall also vote as a class in relation to any matter so designated in these Articles or required by some other legal agreement.

3.3 A vote of the of the A Ordinary Shareholders shall be taken by a formal vote in a general meeting or by an electronic ballot of the A Ordinary Shareholders as the case may be.

3.4 In the event that there is a Listing, thereafter the A Ordinary Shares shall be designated Ordinary Shares.

3.4 Option Shares shall be A Ordinary Shares or Ordinary Shares as designated by the Board.

4. THE ISSUE OF SHARES

4.1 Directors' authority to allot

Subject to Article 4.2 below, the unissued Shares in the capital of the Company as at the date of the adoption of these Articles shall be under the control of the Directors, who are hereby generally and unconditionally authorised to allot, grant options over, or otherwise dispose of or deal with any such unissued Shares and relevant securities (as referred to in Section 551 of the Act) to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company, provided that the authority contained in this Article insofar as the same relates to the relevant securities (as defined as aforesaid) shall, unless revoked or varied in accordance with Section 551 of the Act expire five years from the date of the adoption of these Articles, but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of the said authority.

4.2 Pre-emption rights

(a) Subject to Article 4.2(b), unless otherwise agreed by special resolution or by written resolution, if the Company proposes to allot any new shares those new shares shall not be allotted to any person unless the Company has in the first instance offered the Shareholders such number of shares on the same terms and at the same price as those new shares are being offered to other persons as would maintain their percentage holding of shares in the Company following any such new issue and the exercise of all Share Options (as nearly as may be without involving fractions). The offer shall be in writing, give details of the number and subscription price of the new shares, and shall allow a period of not less than 14 days to respond.

(b) The Company shall be entitled to allot:

up to 6,500 Option Shares; without following the pre-emption procedure set out in Article 4.2(a).

4.3 Exclusion of statutory provisions

The provisions of Section 561(1) and 562(1)-(4) inclusive of the Act shall be excluded from applying to the Company.

4.4 The Enterprise Management Incentive Plan must be approved by a resolution of the Company, and shall not come into force without such resolution;

5. PURCHASE OF SHARES

Subject to the provisions of Part V of the Act and to the rights of the holders of the Shares, the Company may:

- (a) purchase its own shares; and
- (b) make a payment in respect of the purchase under Section 684 or 687 or (as the case may be) Section 690 of the Act and the relevant power under (a) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Sections 690-693 of the Act.

6. LIEN

The Company shall have the first and paramount lien on every Share (whether or not it is a fully paid Share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share, and the Company shall also have the first and paramount lien on all Shares (whether fully paid or not) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company, whether he shall be the sole registered holder thereof or shall be one of several joint holders; but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a Share shall extend to all dividends payable thereon. Regulations 9-11 of Table A dealing with the sale of a Share subject to a lien shall apply.

7. TRANSFER OF SHARES

7.1 Shares

The Directors shall not register any transfer of Shares other than a transfer made pursuant to or permitted by these Articles and a Shareholder shall not be entitled to transfer any Shares whether by way of a sale or otherwise except in accordance with the provisions of these Articles.

7.2 General prohibition on the transfer of Shares

Save in respect of transfers made pursuant to Article 8 (Permitted transfers) and Article 9.10 (Deemed transfer provisions), no Shareholder shall (without the prior written consent of the Board) be entitled to serve a Transfer Notice in respect of any Shares acquired by him (whether through transfer or allotment) during the 18 month period following the date of adoption of these Articles.

7.3 General provisions

Regulations 23-28 of Table A shall apply to the Company except Regulation 24 shall be amended so that the Directors shall not have the power to refuse to register the transfer of a Share which is not fully paid to a person of whom they do not approve.

8. PERMITTED TRANSFERS

8.1 Privileged Relations

Any Shareholder being an individual who is solely, legally and beneficially entitled to Shares shall be entitled at any time with the consent of the Board to transfer any of his Shares to his Privileged Relations (except to his spouse as part of a divorce or separation settlement).

8.2 Family Trust

Any Shareholder being an individual who is solely, legally and beneficially entitled to Shares shall be entitled at any time with the consent of the Board to transfer any of his Shares to trustees ("Trustees") to be held on Family Trusts provided that:

- (a) where Shares have been transferred to Trustees they may, on any change of Trustees, be transferred to the new Trustees of the Family Trusts concerned;
- (b) subject to the approval of the Board as aforesaid, this Article 8.2 shall be deemed to permit transfers by Trustees of the Shares held by them to the transferor who transferred the Shares to the Trustees or to Privileged Relations of the Shareholder or former Shareholder who transferred such Shares;
- (c) if and whenever any of such Shares come to be held otherwise than upon Family Trusts (otherwise than in connection with a transfer by the trustees authorised under this Article 8.2) it shall be the duty of the Trustees of such Family Trusts to notify the Company that such event has occurred and to give an irrevocable Transfer Notice (as defined in Article 9.1 (Service of Transfer Notice) below) in respect of such Shares.

8.3 Transfers to nominees

Subject to the approval of the Board, Shares may be transferred by a Shareholder to a person to hold such Shares as his nominee or allotted by the Company with consent of the Board to a nominee to hold on behalf of a Shareholder but any transfers by such

nominee (other than to another nominee in respect of such Shares) shall be subject to the same restrictions as though they were transfers by the beneficial owner.

8.4 Transfers to beneficial owners or alternative nominees or trustees

Any Share held by a nominee pursuant to Article 8.3 may be transferred to such beneficial owner or subject to this Article 8 to any other nominee or trustee.

8.5 Transfers by corporate Shareholders

- (a) A Shareholder which is a body corporate may at any time transfer Shares to another member of its Wholly-owned Group.
- (b) If a corporate Shareholder holding Shares transferred to it under Article 8.5(a) ceases to be a member of the same Wholly-owned Group as the original corporate Shareholder who held them, the corporate Shareholder then holding those Shares shall without delay notify the Company that this event has occurred and shall give a Transfer Notice in respect of them and, if the corporate Shareholder then fails to give a Transfer Notice, it shall be deemed to have served the Company with a Transfer Notice in respect of them (in accordance with the provisions of Article 9.11 (Deemed transfer provisions)).
- (c) If there is a change in the Controller (or, if more than one, any of them) of a corporate Shareholder, or any holding company of a corporate Shareholder, then that Shareholder shall notify the Company that such event has occurred and shall give a Transfer Notice in respect of the Shares registered in its name and, if that Shareholder then fails to give a Transfer Notice, it shall be deemed to have served the Company with a Transfer Notice in respect of those Shares (in accordance with the provisions of Article 9.11 (Deemed transfer provisions)).

8.6 Change of control

Any transfer of Shares pursuant to and in accordance with Article 10 (Transfers - change of control) shall be a Permitted Transfer.

8.7 Consent

Any Share may be transferred at any time by a Shareholder to any other person with the consent in writing of at least 95 per cent of the voting capital of the Company.

8.8 Transfer on death

Any deceased Shareholder, or such deceased Shareholder's legal representative shall be entitled to transfer Shares to any person under the provision of such deceased Shareholder's will or laws as to intestacy, without restriction as to price or otherwise.

8.9 Founder transfer

Each of the Founders shall be entitled to transfer Shares held by him without restriction as to price or otherwise without the consent of the Board, provided that the aggregate number of Shares transferred by that Founder pursuant to this Article 8.9 shall not exceed 25 per cent. of the issued share capital of the Company from time to time.

8.10 Evidence of Permitted Transfer

The Directors may require a Shareholder to produce to the Directors such evidence as the Directors may require to establish to the satisfaction of the Directors that the relevant relationship exists between such Shareholder and the proposed transferee so as to comply with these Articles.

9. TRANSFER PRE-EMPTION PROVISIONS FOR SHARES

9.1 Service of Transfer Notice

Subject to the provisions of Article 7.2 (General prohibition on transfer of Shares) and save for where the transfer of Shares constitutes a Permitted Transfer, any Shareholder ("**the Proposing Transferor**") wishing to transfer part or all of the Shares held by him shall first give a notice in writing ("**a Transfer Notice**") to the Company specifying the number of Shares which he wishes to sell ("**the Sale Shares**"). The Transfer Notice shall state the proposed price for each of the Sale Shares and shall have the Share Certificate annexed to it in respect of the Sale Shares. The Transfer Notice must also state whether or not acceptance of any offers made pursuant to such invitations will be conditional upon offers being received for all of the Sale Shares. The Transfer Notice shall constitute the Company as the agent of the Proposing Transferor for the sale of the Sale Shares at a price for each Sale Share to be determined in accordance with the provisions of Article 9.5 ("**the Offer Price**").

9.2 Pre-emptive offer

On the Offer Price being fixed pursuant to Article 9.5 and provided the Proposing Transferor does not give a notice of withdrawal (where applicable) the Company shall

by notice in writing offer the Sale Shares at the Offer Price to the Shareholders (save for the Proposing Transferor) as follows:

The notice in writing from the Company to the Shareholders shall in each case state the number and price of those Sale Shares and shall invite each of the Shareholders to state in writing within 21 days of receipt of the notice ("the Acceptance Period") whether he is willing to purchase any and if so what maximum number of the Sale Shares. Such notice must also state whether or not acceptance of any offers made pursuant to such invitations will be conditional upon offers being received for all of the Sale Shares.

9.3 Directors' discretion

If the Company shall not have found purchasing Shareholders in respect of all the Sale Shares pursuant to Article 9.2, then any remaining Sale Shares shall be at the disposal of the Directors for a period of three months following the expiry of the Acceptance Period who may offer any remaining Sale Shares at the Offer Price to such persons as they in their absolute discretion choose and/or shall, subject to the Act, be able to exercise the powers of the Company (so far as the Company lawfully can) to purchase the said Sale Shares in accordance with these Articles and the provisions of the Act. The Proposing Transferor shall be free to transfer any of the Sale Shares which the Directors have not disposed of at any time during the period of six months (following the expiry of the three month period referred to above) to any third party at a price not less than the Offer Price.

9.4 Completion of sale

If the Company shall after making an offer within the period limited for acceptance find a purchaser or purchasers willing to purchase the Sale Shares or any of them it shall (following the expiry of the withdrawal period if applicable) give notice ("an Acceptance Notice") in writing thereof to the Proposing Transferor and he shall be bound upon the payment of the Offer Price to transfer such Shares to the respective purchasers. Every such notice shall state the name and address of each purchaser and the number of Shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the Board (being not earlier than 7 days nor more than 28 days after the date of the Acceptance Notice) ("the Completion Date").

9.5 Offer Price

The Offer Price of the Sale Shares shall be as specified in the Transfer Notice but if such value is not agreed by the Board then the Offer Price of the Sale Shares shall be as

agreed between the Proposing Transferor and the Board within 14 days of the giving of the Transfer Notice to the Company failing which the Offer Price of the Sale Shares shall be the market value of the Sale Shares calculated on the following basis:

- (a) a sale as between a willing seller and a willing purchaser contracting on arms' length terms;
- (b) having regard to the fair value of the business of the Company as a going concern;
- (c) without taking into account (if relevant) that the Sale Shares constitute a minority interest; and
- (d) the valuation being as at the date of the giving of the Transfer Notice to the Company.

9.6 Certification of Offer Price

The Offer Price where not agreed shall be certified by the Auditors who shall act as experts and not as arbitrators and their decision shall (save in the case of manifest error) be final and binding upon the parties.

9.7 Cost of certificate

The cost of obtaining the Auditors' certificate shall be borne equally by the Proposing Transferor and the Company save that if the Proposing Transferor within 12 months of revoking a Transfer Notice pursuant to Article 9.8 below shall serve a further Transfer Notice the cost of obtaining the certificate in relation to such further Transfer Notice shall be borne wholly by the Proposing Transferor and the right of revocation contained in Article 9.8 shall not apply in respect of such further Transfer Notice.

9.8 Revocation of Transfer Notice

If a certificate is obtained to determine the Offer Price the Company shall within 7 days of the issue of the Auditors' certificate furnish a copy thereof on the Proposing Transferor and in the event that the Offer Price specified in the Auditors' certificate is less than the proposed price specified by the Proposing Transferor in the Transfer Notice pursuant to Article 9.1, but not otherwise, the Proposing Transferor shall have the right, by notice in writing to the Company given within 7 days of service on him of a copy of the Auditors' certificate, to revoke his Transfer Notice. Except as otherwise expressly provided in this Article the Transfer Notice shall not be revocable except with the unanimous written consent of the Board who may impose such conditions

on any consent as they see fit, including a condition that the Proposing Transferor bear all the related costs. Upon revocation by the Proposing Transferor of a Transfer Notice the Company shall return the original Transfer Notice to the Proposing Transferor together with the Proposing Transferor's Share Certificate in respect of the Sale Shares.

9.9 Failure to transfer Sale Shares

In the event of the Proposing Transferor failing to transfer any or all of the Sale Shares in accordance with Article 9.4 the Directors may authorise some person to effect the transfer of the Sale Shares or such of the Sale Shares as are agreed to be sold and such person shall have full power and authority to execute, complete and deliver in the name of and on behalf of the Proposing Transferor forms of transfer in respect of the said Sale Shares and on payment of the purchase price to the Company (who shall be authorised to give a good receipt for the purchase price of such Sale Shares) the Company shall (subject to due stamping) register the purchasers as the holders thereof and issue to them Share Certificates for the respective Sale Shares whereupon the purchasers shall become indefeasibly entitled thereto and the Proposing Transferor shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Proposing Transferor subject to applying the same in settlement of any fees or expenses due by the Proposing Transferor to the Company and without interest. If the Proposing Transferor's Share Certificate shall include any Shares which the Proposing Transferor has not become bound to transfer the Company shall issue to the Proposing Transferor a balancing certificate for such Shares.

9.10 Deemed transfer provisions

For the purpose of this Article save for where the Board resolves that such shall not be the case the following events ("**Deemed Transfer Events**") shall be deemed (without limitation) to constitute service of a Transfer Notice in respect of those Shares held by a Shareholder who falls within the following provisions of this Article so that the provisions of this Article 9 shall apply:

- (a) any direction (by way of renunciation, nomination or otherwise) by a Shareholder entitled to allotment or transfer of Shares to the effect that such Shares or any of them be allotted, issued to or transferred in breach of the provisions of these Articles;
- (b) any transfer or attempted or proposed transfer or other disposition of any beneficial interest or voting right in a Share or the creation of any fixed charge or other specific encumbrance over any Share or any interest therein in each

case contrary to the terms of these Articles (whether or not for consideration or otherwise) by whomsoever made and whether or not effected by an instrument in writing;

- (c) the bankruptcy of any Shareholder;
- (d) upon a corporate Shareholder ceasing to be a member of its Wholly-owned Group or in the event of a change of Controller, in accordance with the provisions of Article 8.5 (Transfers by corporate Shareholders); or
- (e) a corporate holder of Shares, entering into liquidation (except for a shareholder's voluntary liquidation for the purpose of solvent reconstruction or amalgamation) or suffering an administrative receiver or receiver to be appointed over all or a material part of its assets or entering administration .

9.11 Terms of Deemed Transfer Notice

In respect of any Transfer Notice deemed to have been given under Article 9.10 ("**Deemed Transfer Notice**") such Deemed Transfer Notice shall be in respect of all Shares held by:

- (a) the Shareholder; and
- (b) any Permitted Transferee to whom Shares may have been transferred by the Shareholder concerned pursuant to Article 7 of these Articles;

and each such person shall be deemed to have given a Transfer Notice to the Company.

10. TRANSFERS - CHANGE OF CONTROL

10.1 Offers to purchase a controlling interest

Notwithstanding anything to the contrary contained in these Articles no sale or transfer (excluding for the avoidance of doubt the purchase or cancellation of any Shares by the Company) of any Shares ("**the Specified Shares**") to any person whomsoever which would result if made and registered in a person whether or not then a Shareholder of the Company obtaining a Controlling Interest in the Company shall be made or registered without the proposed transferee or his nominees or agent having made an offer ("**the Controlling Interest Offer**") to purchase all the other Shares on similar terms at the Specified Price (as hereinafter defined) which offer every Shareholder shall be bound within 14 days of the making of the Controlling

Interest Offer to accept or reject in writing (and in default of so doing shall be deemed to have rejected the Controlling Interest Offer).

10.2 Drag Along Option

If Shareholders holding a bare majority of the voting rights in the Company, including a bare majority of the A Ordinary Shareholders, in this context "the Selling Shareholders", wish to transfer all their interests in Shares to a person not already a member of the Company ("the Third Party Purchaser") the Selling Shareholders shall have the option ("the Drag Along Option") to require all the other Shareholders ("Called Shareholders") to sell with full title guarantee and transfer all their Shares to the Third Party Purchaser or as the Third Party Purchaser shall direct at the Specified Price subject only as follows:

In the event that the Specified Price is not acceptable to the Called Shareholders and the Called Shareholders are able within 28 days from the date of exercise by the Selling Shareholders of the Drag Along Option to obtain a price which is greater than the Specified Price ("the Improved Price") for their Shares from an alternative third party purchaser the Called Shareholders shall have the right to transfer all of their Shares to the said alternative third party at the improved price (but not, for the avoidance of doubt, at the Specified Price) provided that the Called Shareholders shall first have secured that the alternative third party offers to purchase the Shares of the Selling Shareholders upon the same terms (including as to price) mutatis mutandis.

10.3 Exercise of Drag-Along option

The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect ("a Drag Along Notice") at any time before the transfer of Shares of the Selling Shareholders. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares ("the Called Shares") pursuant to this Article 10, the person to whom they are to be transferred, the Specified Price at which the Called Shares are to be transferred and the proposed date of transfer.

10.4 Lapse of Drag-Along

A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there is not a sale of Shares by the Selling Shareholders to the Third-Party Purchaser within 90 days after the date of the Drag Along Notice.

10.5 Completion (Drag-Along Event)

Subject as provided in Article 10.2, the Called Shareholders shall be obliged to sell each of the Called Shares at the Specified Price. Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares and the Called Shareholders shall only be obliged to complete the sale of the Called Shares if the Selling Shareholders have at the same time sold their Shares unless:

- (a) all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- (b) that date is less than 14 days after the Drag Along Notice, when it shall be deferred until the 14th day after the Drag Along Notice.

10.6 Default in transferring Drag-Along Shares

If a Shareholder having accepted the Controlling Interest Offer pursuant to Article 10.1 or in default of Article 10.5 fails to transfer their holding then the Directors may authorise someone to effect the transfer of the relevant Shares and shall have full power and authority to deliver in the name and on behalf of the relevant Shareholder forms of transfer in respect of the relevant Shares and on payment of the Specified Price in respect of the relevant Shares ("the Purchase Consideration") to the Company (who shall be authorised to give a good receipt for the Purchase Consideration) the Company shall (subject to due stamping) register the transferee as the holder of the relevant Shares. The relevant Shareholder shall be entitled to receive the Purchase Consideration which shall in the meantime be held by the Company on trust for the relevant Shareholder subject to applying the same in settlement of any fees or expenses due by the relevant Shareholder or the Company. No interest shall be payable on the amount due to the relevant Shareholder under this Article.

10.7 Tag Along Option

If Shareholders holding a bare majority of the voting rights in the Company, in this context "the Selling Shareholders", wish to transfer all their interests in Shares to a person not already a member of the Company ("the Third Party Purchaser") they shall give all other shareholders immediate notice of their intention so to sell, ("Selling Notice"). The Selling Shareholders must not complete the sale of any shares until 28 days after the date of the Selling Notice, unless every other shareholder has so agreed. All the other shareholders shall have the option ("the Tag Along Option") to co-sell with full title guarantee and transfer all their Shares ("the Tag-Along Shares") to the Third Party Purchaser or as the Third Party Purchaser shall direct together with the Selling Shareholders. The sale of the Tag-Along Shares shall be the at best price upon

the best terms agreed between the Selling Shareholders and the Third Party Purchaser, and subject to Article 10.12 (b) mutatis mutandis.

10.8 Exercise of Tag-Along Option

The other shareholders may exercise the Tag Along Option by giving notice to that effect ("a **Tag Along Notice**") within 28 days after the date of the Selling Notice. A Tag Along Notice shall specify that the relevant shareholders ("**Tag-Along Seller**") wishes to transfer some or all their Shares pursuant to this Article 10, together with the Selling Shareholders.

10.9 Lapse of Tag-Along Option

A Tag Along Notice is irrevocable but the Tag Along Notice and all obligations thereunder will lapse if for any reason there is not a sale of Shares by the Selling Shareholders to the Third Party Purchaser within 90 days after the date of the Selling Notice. If no Tag-Along Notice is submitted by a Shareholder within the period of 28 calendar days from receipt of the Selling Notice, the right to serve a Tag-Along Notice of all shareholders shall be deemed to have been forfeited with respect to this particular Selling Notice.

10.10 Completion (Tag-Along)

The Tag-Along Sellers shall be permitted to sell each of the Tag-Along Shares at the same date as the date proposed for completion of the sale of the Selling Shares and the Tag-Along Sellers shall only be obliged to complete the sale of the Tag-Along Shares if the Selling Shareholders have at the same time sold their Shares unless all of the Tag-Along Sellers and the Selling Shareholders agree otherwise. If the proposed Third Party Purchaser refuses to accept the purchase of any of the Tag-Along Shares, the Selling Shareholder(s) shall be prohibited from Transferring any Shares to the Third Party Purchaser.

10.11 Existing shareholders

The provisions of this Article 10 shall not apply to the acquisition of Shares by a person who is already a Shareholder if the acquisition is made under the terms of a Transfer Notice given pursuant to Article 9 (Transfer pre-emption provisions for Shares).

10.12 Share Options

- (a) Employees who hold Share Options who as a result of circumstances referred to in this Article 10 have exercised their Share Options shall be deemed to be shareholders to the extent required to comply with the terms of the Enterprise Management Incentive Plan
- (b) In respect of Departing Employee Shareholders, Article 10.12 (a) shall be modified so that the exercise price of their Share Options (if a lesser sum) shall be substituted for the Specified Price.

10.13 Definitions

For the purpose of this Article 10:

- (a) the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allotment, the original allottee and the renounee under any such letter of allotment; and
- (b) the "Specified Price" shall mean a price per Share (not less than the Offer Price as defined in Article 9.5 (Offer Price)) at least pari passu to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders thereof 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 an addition to the price paid or payable for the Specified Shares. In the event of disagreement, the calculation of the Specified Price shall be referred to the Auditors (acting as expert and not as arbitrator) whose decision shall be final and binding save in the case of manifest error.

11. NUMBER OF DIRECTORS

The minimum number of Directors shall be one and there shall be no maximum.

12. ALTERNATE DIRECTORS

12.1 Right to appoint

Any Director (other than an alternate director) may appoint any other Director, or any other person approved by the Directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Save as

otherwise provided in these Articles, unless he is already an officer of the Company in his own right, an alternate director shall not, as such, have any rights other than those mentioned in Article 12.2 below.

12.2 Alternate's rights

An 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, and to attend, speak and vote at any such meeting at which the Director appointing him is not personally present but it shall not be necessary to give notice of such meeting to an alternate director who is absent from the United Kingdom. A Director present at such meeting and appointed alternate director for any other Directors entitled to attend and vote at such meeting shall have an additional vote for each of his appointors absent from the meeting. An alternate director shall not be entitled to receive any remuneration from the Company for his services as an alternate director.

12.3 Cessation of appointment

An alternate director shall cease to be an alternate director if his appointor ceases to be a Director; but, if a Director retires but is re-appointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.

12.4 Method of appointment and removal

Any appointment or removal of an alternate director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.

12.5 Status of alternate

Without prejudice to Article 13.2 and save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

12.6 Table A

Regulation 88 of Table A shall be modified accordingly.

13. POWERS OF DIRECTORS

Regulations 70-72 of Table A shall apply to the Company. In addition the Directors may sanction the exercise by the Company of all the powers of the Company to make provision for the benefit of persons (including Directors) employed or formerly employed by the Company or any subsidiary of the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or any such subsidiary as are conferred by Section 247 of the Act and Section 187 of the Insolvency Act 1986 and, subject to such sanction, the Directors may exercise all such powers of the Company.

14. APPOINTMENT AND RETIREMENT OF DIRECTORS

The Directors of the Company shall not retire by rotation and Regulations 73-78 (inclusive) shall be modified accordingly.

15. DISQUALIFICATION AND REMOVAL OF DIRECTORS

15.1 Removal

The office of Director shall be vacated if:

- (a) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be a person of unsound mind; or
- (d) he resigns his office by notice to the Company; or
- (e) he is removed from office under Section 168 of the Act, or by an Extraordinary Resolution of the Company.

15.2 Age

No person shall be disqualified from being or becoming a Director of the Company by reason of his attaining or having attained the age of 70 years or any other age.

16. DIRECTORS' APPOINTMENTS AND INTERESTS

Provided that a Director declares his interest in a contract or arrangement or proposed contract or arrangement with the Company in the manner provided by Section 177 of the Act he shall be counted in the quorum at any meeting of Directors at which the same is considered and shall be entitled to vote as a Director in respect thereof.

17. PROCEEDINGS OF DIRECTORS

17.1 Quorum

The quorum for the transaction of the business of the Directors shall, except when one Director only is in office, be two. A person who holds office as an alternate director shall, if his appointor is not present, be counted in the quorum. When one Director only is in office he shall have, and may exercise all the powers and authorities in and over the affairs of the Company as are conferred on the Directors by these Articles.

17.2 Written resolution

A resolution in writing signed by all the Directors (including a sole Director) entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the form each signed by one or more Directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

17.3 Directors outside UK

Any Directors for the time being absent from the United Kingdom may supply to the Company an address and/or facsimile transmission number whether or not within the United Kingdom to which notices of meetings of the Director may be sent and shall then be entitled to receive at such address or number notice of such meetings. Regulation 88 of Table A shall be modified accordingly.

17.4 Telephone/video meetings

A meeting of the Directors may be validly held notwithstanding that all of the Directors are not present at the same place and at the same time provided that:

- (a) a quorum of the Directors at the time of the meeting are in direct communication with each other whether by way of telephone, audio-visual link or other form of telecommunication; and
- (b) a quorum of the Directors entitled to attend a meeting of the Directors agree to the holding of the meeting in the manner described therein.

17.5 Chairman

In the case of an equality of votes at a meeting of the Directors, the chairman shall have a second or casting vote.

18. **DIVIDENDS**

18.1 Retention of dividends

The Directors may retain the dividends payable upon Shares in respect of which any person is, under the provisions as to the transmission of Shares, entitled to become a member, or which any person, under those provisions, is entitled to transfer, until such person shall become a member in respect of such Shares or shall duly transfer the same. Regulation 31 of Table A shall be modified accordingly.

18.2 Unclaimed dividends

The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after a period of twelve years from date when it became due for payment shall be forfeited and cease to remain owing by the Company.

19. **BORROWING POWERS**

The Directors may exercise all the powers of the Company to borrow or raise money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions 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.

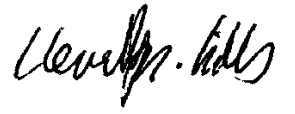
20. **NOTICES**


20.1 Table A

Regulations 111 to 115 of Table A shall apply.

21. INDEMNITY

Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust.


CHAIRMAN

DIRECTOR


DIRECTOR
