

Company Number: 06447651

THE COMPANIES ACTS 1985 to 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

AZELLON LIMITED

(Passed on 5 JANUARY 200~~8~~⁹)

The following resolutions were duly passed as a written resolution pursuant to Chapter 2 of Part 13 of the Companies Act 2006 on 5 JANUARY 200~~9~~⁹ by members of the Company representing the required majority of total voting rights of eligible members in the case of the resolution A as an ordinary resolution and in the case of resolutions B and C as special resolutions:

ORDINARY RESOLUTION

- (A) THAT for the purposes of section 175 of the Companies Act 2006, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of duty of a director under that section to avoid a situation in which he has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company.

SPECIAL RESOLUTIONS

- (B) THAT the Articles of Association of the Company initialled by any director of the Company for the purpose of identification only ("**New Articles**") be adopted in substitution for and to the exclusion of all existing Articles of Association of the Company.
- (C) THAT the pre-emption provisions in Article 3.4 of the New Articles be hereby irrevocably waived in respect of the allotment and issue of shares in the Company up to an aggregate nominal amount of £100.00 provided that this waiver shall expire on the date five years from the date of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities in pursuance of such offer or agreement notwithstanding the pre-emption provisions in the New Articles as if the waiver conferred hereby had not expired.

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Director/Secretary

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COMPANIES HOUSE


THE COMPANIES ACT 1985, 1989 AND 2006

ARTICLES OF ASSOCIATION

of

AZELLON LIMITED

Company number: 6447651

 A.P.H.

Adopted by special written resolution on 5 JANUARY 2008~~9~~

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1. **PRELIMINARY**

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

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

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

“A Ordinary Shareholders” means the holders of the A Ordinary Shares from time to time;

“A Ordinary Shares” means the ‘A’ ordinary shares of £0.001 each in the capital of the Company;

“Accrued Fees” means those fees which have accrued from the Company to the University (in respect of Alison Wilson) and to each of Troels Jordansen and Dr Ekkehard Lang prior to the date of adoption of these Articles;

“Acts” the Companies Acts (as defined in section 2 of the CA 2006) in so far as they apply to the Company;

“address” the ordinary meaning of the word as well as the meaning attributed pursuant to section 1148 CA 2006;

“these Articles” means these articles of association of the company as properly amended from time to time;

“Bad Leaver” means a Leaver (i) whose cessation of employment, engagement or appointment as a director, employee or consultant of or provision of consultancy services to the Company occurs for reason of fraud, dishonesty, misconduct or gross negligence; or (ii) who (other than for the avoidance of doubt, as a result of Serious Ill Health) voluntarily ceases such employment, engagement, appointment or provision of services at any time prior to the first anniversary of the date of adoption of these Articles; or (iii) as a result of the Company terminating

the relevant Leaver's contract of employment, consultancy agreement or the relevant agreement which governs the Leaver's provision of consultancy services to the Company summarily or with immediate effect in circumstances where, in accordance with the terms of the relevant agreement, the Leaver is not entitled to notice, payment in lieu of notice and/or the payment of any other compensation;

- "Board"** mean the board of directors of the Company from time to time present at a duly convened meeting of the Directors at which a quorum is present;
- "CA 1985"** the Companies Act 1985, including any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force;
- "CA 2006"** the Companies Act 2006, including any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force;
- "Called Shareholders"** has the meaning ascribed to that term in Article 13.1;
- "Called Shares"** has the meaning ascribed to that term in Article 12.2;
- "Chairman"** means the chairman for the time being of the Company whose appointment and removal shall first be approved by the Board;
- "communication"** includes a communication comprising sounds or images or both and a communication effecting a payment;
- "the Company"** means Azellon Limited (company number 06447651);
- "Company Strike-Off"** shall have the meaning set out in Article 4.2;
- "Controlling Interest"** means an interest (within the meaning of Sections 820-825 of the CA 2006) in shares conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue;

“Directors” means the directors of the Company from time to time as a body, or a quorum of the Directors present at a meeting of the Directors and **“Director”** means any one of them;

“Drag Along Notice” has the meaning ascribed to that term in Article 13.2;

“Drag Along Option” has the meaning ascribed to that term in Article 13.1;

“Drag Along Price” has the meaning ascribed to that term in Article 13.1;

“electronic communication” means a communication transmitted (whether from one person to another, from one device to another or from a person to a device and vice versa):

- (a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984); or
- (b) by any other means but while in electronic form;

“Fair Price” means a fair value for the shares in question to be agreed by the relevant Shareholder and the Directors within a period of 14 days from the date on which the Transfer Notice was served or deemed to have been served or, failing such agreement or in the case of a Mandatory Transfer Notice, the price which an Independent Expert (whose reasonable charges shall be borne by the Company) shall state in writing to be in his or her opinion the fair value of the shares concerned on the following basis and assumptions:

- (a) as if the sale is an arm’s length sale between a willing seller and a willing purchaser;
- (b) the Company is a going concern and on the assumption it will continue as a going concern; and
- (c) that the shares concerned are capable of being transferred without restriction.

For the avoidance of doubt, when valuing the shares, the Independent Expert shall disregard whether the shares concerned represent a majority or minority interest in the

Company;

- “Family Trust”** means a trust 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 of such trust or the Shareholder concerned or a Privileged Relation of such Shareholder;
- “Fully Diluted Share Capital”** means the issued share capital of the Company as it would be if all the options, warrants and any other rights to subscribe for shares then granted had been fully exercised and all securities convertible into shares then in existence had been so converted;
- “Good Leaver”** means a Leaver who is not a Bad Leaver;
- “Group”** means the Company and its subsidiaries for the time being and **“Group Company”** means any of them;
- “Independent Expert”** means an independent accountant, acting as an expert and not as an arbitrator appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales (or his successor) on the application of any Shareholder, whose decision shall, save in the case of manifest error, be final and binding on the parties;
- “Investment Agreement”** means the investment and shareholders’ agreement entered into between the Shareholders on or around the date of adoption of these Articles;
- “Investment Fund”** a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager;
- “Investment Manager”** a person whose principal business is to make, manage or advise upon investments;

“IP Group”	IP Group plc (company number 4204490), the holding company of IP2IPO Limited;
“IP2IPO Director”	means any Director appointed by IP2IPO Limited pursuant to Article 17.2;
“IP2IPO Limited”	IP2IPO Limited (company number 4072979);
“IP2IPO Employees’ Trust”	means any trust established by IP Group or any Member of the same Group to acquire and hold Ordinary Shares for the benefit of employees and/or ex-employees of the IP Group and/or their dependants;
“Leaver”	has the meaning set out in Article 11.1;
“Leaver’s Shares”	has the meaning set out in Article 11.1;
“Liquidation Surplus”	means such cash sum as remains on either (i) a liquidation or winding up of the Company or (ii) immediately prior to completion of a Company Strike-Off, after all of its liabilities (including costs and expenses in connection with such liquidation, winding up or Company Strike-Off but excluding any outstanding Accrued Fees at such date) have been paid or provided for;
“Mandatory Transfer Notice”	has the meaning set out in Article 11.1;
“Maximum”	has the meaning ascribed to that term in Article 10.4;
“Member of the same Fund”	(a) any participant or partner in or member or beneficiary of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course); or (b) any other Investment Fund whose business is managed by the same Investment Manager as manages the Investment Fund which is or whose nominee is the transferor;

“Member of the same Group”	means as regards any company, a company which is for the time being a holding company or subsidiary of that company or any subsidiary of such holding company;
“Offered Shares”	has the meaning ascribed to that term in Article 10.1;
“Option Scheme”	means a share option scheme established by the Company, eligible beneficiaries of which shall be bona fide employees or non-executive directors of, and/or consultants to, the Company;
“Ordinary Shareholders”	means the holders of the Ordinary Shares from time to time;
“Ordinary Shares”	means ordinary shares of £0.001 each in the capital of the Company;
“OXTECH”	means Oxford Technology Enterprise Capital Fund LP, acting by its manager, Oxford Technology Management Limited;
“OXTECH Director”	means any Director appointed by OXTECH pursuant to Article 17.3;
“Permitted Transferee”	any person who has acquired shares pursuant to Article 8;
“Privileged Relation”	means in relation to a Shareholder who is an individual member, the spouse, common law partner, civil partner (under the Civil Partnership Act 2004) or widow or widower of the Shareholder and the Shareholder’s children and grandchildren (including step and adopted children) and step and adopted children of the Shareholder’s children;
“Proposing Transferor”	has the meaning ascribed to that term in Article 10.1;
“Purchasers”	has the meaning ascribed to that term in Article 10.5 and “Purchaser” shall be construed accordingly;
“Sale Condition”	has the meaning ascribed to that term in Article 10.2;
“Sellers Shares”	has the meaning ascribed to that term in Article 13.1;
“Selling Shareholders”	has the meaning ascribed to that term in Article 13.1 and “Selling Shareholder” shall be construed accordingly;

“Serious Ill Health”	means an illness or disability certified by a general medical practitioner (nominated by the Directors) as rendering the relevant Leaver permanently incapable of carrying out his employment, engagement or appointment as a director, employee or consultant of or from providing consultancy services to the Company;
“Shareholders”	means the holders of shares of whatever class from time to time and “Shareholder” shall mean any one of them;
“shares”	means any share forming part of the share capital of the Company from time to time and all rights convertible into such shares;
“special resolution”	has the meaning given in Section 283 CA 2006;
“Specified Price”	has the meaning ascribed to that term in Article 10.1;
“Subscription Price”	in relation to any share, the amount paid up thereon (including the full amount of any premium at which such share was issued whether or not such premium is applied for any purpose thereafter);
“Table A”	means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) as amended by the Companies (Tables A-F) (Amendment) Regulations 1985 (SI 1985/1052) and Schedule 1 to the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000/3373) and the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No.2) Regulations 2007 (SI 2007/2826);
“Termination Date”	has the meaning ascribed to that term in Article 11.8;
“Third Party Purchaser”	has the meaning ascribed to that term in Article 13.1;
“Transfer Notice”	has the meaning ascribed to that term in Article 10.1;
“Trust”	means The Wellcome Trust Limited as trustee of the Wellcome

Trust;

“University” means the University of Bristol;

“University Director” means any Director appointed by the University pursuant to Article 17.4;

“Wyvern” means Wyvern Seed Fund Limited Partnership; and

“Wyvern Limited Partners” means, together, the University of Bristol and the University of Southampton.

1.4 References in these Articles to:

1.4.1 **“employees”** shall be deemed also to include consultants and Directors and contracts of, commencement or cessation of, employment shall also include contracts of, commencement or cessation of, consultancy or directorship;

1.4.2 a **“share”** shall include any interests in shares;

1.4.3 **“control”** has the meaning set out in section 416 ICTA 1988; and

1.4.4 **“subsidiary”** and **“holding company”** are as defined in section 736 of the CA 1985.

1.5 The headings to these Articles do not affect the construction thereof.

1.6 A person shall be deemed to be connected with another if that person is connected with another within the meaning of Sections 993-994 of the Income Tax Act 2007.

1.7 Words in the singular include the plural and vice versa and words in one gender include any other gender.

2. **AUTHORISED SHARE CAPITAL**

The authorised share capital of the Company at the date of adoption of these Articles is £1,000 divided into 860,000 Ordinary Shares and 140,000 A Ordinary Shares. The Ordinary Shares and the A Ordinary Shares shall be separate classes of share but will rank *pari passu* in all respects with each other save as specified in these Articles.

3. **ISSUE OF SHARES**

3.1 Subject to Article 3.4, the Directors are generally and unconditionally authorised for the purposes of Section 80 of the CA 1985 to exercise any power of the Company to allot

relevant securities (as defined in that Section) to such persons, on such terms and in such manner as they think fit, up to an aggregate nominal amount of the authorised share capital of the Company at any time or times during the period of five years from the date of the adoption of these Articles.

- 3.2 The authority contained in Article 3.1 shall enable the Directors to allot relevant securities after the expiry of this period of five years pursuant to an offer or agreement made by the Company before the expiry of this period.
- 3.3 Pursuant to Section 91 of the CA 1985, sub-section (1) of Section 89 and sub-sections (1) to (6) inclusive of Section 90 of the CA 1985 shall be excluded from applying to the Company.
- 3.4 Subject to Articles 3.6 and 3.7, unless otherwise determined by the Company by special resolution, any shares for the time being unissued or any other relevant securities shall, before they are issued, be offered to the existing Shareholders in such proportion as nearly as is practicable to the number of existing shares held by them respectively. This offer shall be made by notice in writing to each such Shareholder specifying the number of shares offered to him and the subscription price for them and inviting him to state in writing within such period as the Directors may prescribe (being not less than 14 days after the date of the notice) whether he wishes to accept any, and if so what number, of shares offered to him and whether he wishes to subscribe for shares offered in excess of his entitlement and, if so, what maximum number. If within such period, such Shareholders have expressed their willingness to accept all or any of the shares offered to them, those shares shall be so issued to them accordingly. Any shares so offered to any such Shareholder and not taken up within such period shall be issued to those Shareholders who have taken up their full entitlement of shares and who have indicated a willingness to subscribe for excess shares as aforesaid and such issue shall, as nearly as may be practicable, be in proportion to the respective shareholdings of those shareholders subscribing for shares in excess of their entitlement but subject to the limitation that no shares shall be issued to any such holder in excess of the maximum number which he has expressed a willingness to subscribe.
- 3.5 Any shares not taken up pursuant to the offer set out in Article 3.4 and any shares released from the provisions of that Article by any special resolution shall be under the control of the Directors who may allot, grant options over or otherwise dispose of such shares to such persons on no more favourable terms to the subscribers for them than the terms on which they were offered to the Shareholders pursuant to Article 3.4.
- 3.6 The provisions of Articles 3.4 and 3.5 shall not apply to (i) options to subscribe for shares under any Option Scheme and the issue of shares on the exercise of such options up to a

maximum of 15% of the then Fully Diluted Share Capital; and (ii) the issue of shares as consideration for the purchase of the shares or assets of another company.

3.7 An offer of shares made to OXTECH pursuant to Article 3.4 shall, as OXTECH directs, entitle either:

3.7.1 OXTECH; or

3.7.2 any Investment Fund managed by the Investment Manager of OXTECH at the time at which the offer is made under Article 3.4

to subscribe for such shares.

4. **RIGHTS ATTACHING TO SHARES**

4.1 **Income**

The balance of any profits available for distribution which the Directors resolve to approve for distribution in any financial year or period shall be distributed amongst the A Ordinary Shareholders and the Ordinary Shareholders pro rata according to the amount for the time being paid up on the A Ordinary Shares and Ordinary Shares held by each of them as if the A Ordinary Shares and Ordinary Shares constituted one and the same class.

4.2 **Capital**

In the event that either (i) a resolution is passed or an order is made to wind the Company up or (ii) the Shareholders and Board resolve, pursuant to the terms of the Investment Agreement, that the Company should cease trading and should be struck off the register in accordance with the provisions of the Act ("**Company Strike-Off**"), then on a return of capital or assets on such winding up or following the resolution to progress and prior to completion of the Company Strike-Off, the Liquidation Surplus legally available to the Shareholders by reason of their ownership of A Ordinary Shares and/or Ordinary Shares shall be applied in the following manner:

4.2.1 first, in paying to each A Ordinary Shareholder (in cash, cash equivalents or, if applicable, securities) an amount equivalent to the aggregate Subscription Price of the A Ordinary Shares held by each A Ordinary Shareholder, together with a sum equal to any arrears and accruals of dividend on those A Ordinary Shares calculated down to but not including the date of the return of capital (the "**Preference Amount**") and if there is a shortfall of assets and/or funds remaining to satisfy the entitlements of the A Ordinary Shareholders in full, the remaining

surplus assets shall be distributed to the A Ordinary Shareholders pro rata to their respective holding of such A Ordinary Shares;

4.2.2 second, and only after the Preference Amount is fully paid-up, in paying the Shareholders *pro rata* as if they constituted one and the same class.

4.3 **Voting**

Each A Ordinary Shareholder and each Ordinary Shareholder shall have the right to receive notice of and attend and vote at any general meeting of the Company as if the A Ordinary Shares and the Ordinary Shares constituted one and the same class. Each A Ordinary Shareholder and each Ordinary Shareholder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll to one vote for each A Ordinary Share and/or Ordinary Share held by him.

5. **CLASS RIGHTS**

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with the consent in writing of the holders of more than 90% of the issued shares of that class.

6. **REDEMPTION AND PURCHASE OF SHARES**

Subject to the provisions of the Acts and to the rights of the holders of the respective classes of shares of the Company, the Company may:

6.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;

6.2 purchase its own shares (including any redeemable shares); and

6.3 make a payment in respect of the redemption or purchase under Section 159 or 160 or (as the case may be) Section 162 of the CA 1985 and the relevant power under 6.1 or 6.2 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 Section 171 and Section 172 of the CA 1985.

7. **LIEN**

Subject to the provisions of Section 150 of the CA 1985 (whilst in force) and Section 670 CA 2006 (when in force), the Company shall have a first and paramount lien on every share

(not fully paid) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not such indebtedness or liability is in respect of shares concerned and whether or not it is presently payable.

8. PERMITTED TRANSFERS

8.1 Transfers to family members, trusts, nominees and employee benefit trusts

8.1.1 Any Shareholder, being an individual (or the legal personal representatives of a deceased Shareholder) may at any time transfer the shares held by him to a Privileged Relation or to the trustees of his Family Trust.

8.1.2 The trustees of a Family Trust may:

- (a) on change of trustees, transfer shares held by them in their capacity as trustees to the new trustees of that Family Trust; and
- (b) transfer any shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust.

8.1.3 If any trust whose trustees hold shares ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall (at their discretion) either forthwith transfer the shares held by them back to the original Shareholder or forthwith give a Transfer Notice in respect of those shares and, if the trustees either fail to transfer such shares to the original Shareholder or fail to give a Transfer Notice in accordance with this Article 8.1.3, they shall be deemed to have served the Company with a Transfer Notice in respect of those shares. The provisions of Article 10 shall apply, with the necessary changes, to any Transfer Notice given or deemed to have been given under this Article as if the shares held by the Family Trust were Offered Shares.

8.1.4 If a Privileged Relation ceases to be a spouse, common law partner or civil partner of the original Shareholder, he shall without delay notify the Company that such event has occurred and shall (at his discretion) either forthwith transfer the shares held by him back to the original Shareholder or forthwith give a Transfer Notice in respect of those shares and, if he either fails to transfer such shares to the original Shareholder or fails to give a Transfer Notice in accordance with this Article 8.1.4, he shall be deemed to have served the Company with a Transfer Notice in respect of those shares. The provisions of Article 10 shall apply, with the necessary

changes, to any Transfer Notice given or deemed to have been given under this Article as if the shares held by the Privileged Relation were Offered Shares.

- 8.1.5 Any trust whose beneficiaries include the employees of the Company may at any time transfer shares to participants of an employees' share scheme (within the meaning of section 743 of the CA 1985) of any Group Company.

8.2 Transfers with Shareholder consent

Notwithstanding any other provisions of these Articles a transfer of any shares made with the prior written consent of Shareholders holding 75 per cent. or more of the issued shares in the Company at the relevant time may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors in accordance with Article 12.

8.3 Transfers by corporate Shareholders, the University or the Trust

- 8.3.1 A corporate Shareholder may at any time transfer shares or rights attaching to shares to, or hold or subscribe for shares for and on behalf of, another Member of the same Group.
- 8.3.2 Each of the University and the Trust may transfer any shares held by it to any company established by it to hold and manage shares in trading companies and in which the University or the Trust, as applicable, is the majority shareholder.
- 8.3.3 If any entity holding shares transferred to it (i) under Article 8.3.1 ceases to be a Member of the same Group as the original corporate Shareholder who held them; or (ii) under Article 8.3.2 ceases to be a company in which the University or the Trust, as applicable, is a majority shareholder, the entity then holding those shares shall without delay notify the Company that this event has occurred and shall (at its discretion) either forthwith transfer the shares held by it back to the original Shareholder or forthwith give a Transfer Notice in respect of such shares and, if such entity either fails to transfer the shares back to the original Shareholder or fails to give a Transfer Notice in accordance with this Article 8.3.3, it shall be deemed to have served the Company with a Transfer Notice in respect of such shares on the date on which either it ceased to be a Member of the same Group or on which the University or the Trust, as applicable, ceased to be a majority shareholder (as applicable). The provisions of Article 10 shall apply, with the necessary changes, to any Transfer Notice given or deemed to have been given under this Article as if the shares held by such person or entity were Offered Shares.

8.4 Transfers by Wyvern

Wyvern may at any time transfer shares or rights attaching to shares held by it to any investment fund or investment company (being a company established by the Wyvern Limited Partners to hold and manage shares previously held by Wyvern) in which any of the Wyvern Limited Partners are investors or shareholders.

8.5 Permitted transfers by Investment Funds

Notwithstanding any other provision of these Articles, a transfer of any shares may be made without restriction as to price or otherwise (and any such transfers shall be registered by the directors) between:

8.5.1 any Shareholder (or a nominee of a Shareholder) who is an Investment Fund (or nominee of an Investment Fund) and a Member of the same Fund; and

8.5.2 OXTECH and any other Investment Fund as part of a portfolio sale or merger.

8.6 Other Permitted transfers

8.6.1 IP2IPO may transfer any shares held by it:

(a) to the trustees of an IP2IPO Employees' Trust; and/or

(b) to any Member of the same Group as nominee or trustee for an employee or ex-employee of or consultant to IP2IPO provided that any such transferee shall vote as directed by IP2IPO or by such nominee or trustee to an employee or ex-employee of or consultant to IP2IPO in accordance with the rules of IP2IPO employee equity share scheme.

8.6.2 Any Shareholders holding shares as bare nominee may transfer such shares to any person or persons provided that the transferor and transferee certifies to the Company, and the Directors are so satisfied, that no beneficial interest in such shares has passed by reason of the transfer.

8.7 Furnishing of evidence

Any Shareholder proposing to transfer its shares under any of the foregoing provisions of this Article 8 shall, if requested by the Board, who, in making such request, is required to act reasonably at all times and in consideration of the circumstances, furnish the Board with such information as it may reasonably require in order for the Board to be satisfied that the proposed transfer of shares is to a valid Permitted Transferee.

9. **DECEASED AND BANKRUPT SHAREHOLDER PROVISIONS**

9.1 Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of Article 9.2 and Article 13.

9.2 Subject to Article 8.1.1, a person entitled to shares in consequence of the death or bankruptcy, insolvency or liquidation of a Shareholder shall be bound at any time, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of such shares, and if such person fails to give a Transfer Notice within 7 days of being required to do so, he shall be deemed to have served the Company with a Transfer Notice on the date on which the Directors required the Transfer Notice to be given in respect of all of the shares registered in his and his Permitted Transferees' name. The provisions of Article 10 shall apply, with the necessary changes, to any Transfer Notice given or deemed to have been given under this Article as if the shares held by them were Offered Shares.

10. **TRANSFER NOTICE PROCEDURE**

10.1 Except as provided to the contrary in these Articles (including under Article 8), no Shareholder or other holder of shares (or person entitled to shares in the Company by transmission) wishing to transfer all or part of the shares held by him (the "**Proposing Transferor**") may do so without first offering them for sale in accordance with the provisions of this Article 10. The Proposing Transferor shall make this offer by giving notice in writing to the Company (a "**Transfer Notice**") which shall specify the shares offered (the "**Offered Shares**") and the price at which they are offered (the "**Specified Price**"). If the Transfer Notice is deemed to have been given the Offered Shares shall (unless otherwise expressly specified in these Articles) be all the shares registered (or which should have been registered) against the name of the Proposing Transferor and/or his Permitted Transferees in the register of members (including, without limitation, save as otherwise expressly provided in these Articles, any shares held by a Privileged Relation of and/or a Family Trust of and/or an entity controlled by or associated with the Proposing Transferor at the date on which the Transfer Notice is deemed to have been given (all of whom shall be deemed to be a Proposing Transferor for these purposes) and the Specified Price shall, save as otherwise expressly provided in these Articles, be the Fair Price as at the date on which the Transfer Notice is deemed to have been given.

10.2 A Transfer Notice (but not one which is deemed to have been given) may contain a condition that unless all the Offered Shares are sold by the Company pursuant to this Article 10 none shall be sold ("**Sale Condition**"). Any such provision shall be binding on the Company.

- 10.3 The Transfer Notice shall constitute the Directors as the agent of the Proposing Transferor for the sale of the Offered Shares in accordance with the provisions of this Article 10. The Transfer Notice may not be revoked unless the Directors so agree.
- 10.4 The Directors shall as soon as practicable following receipt by the Company of the Transfer Notice or, in the case of a deemed Transfer Notice, as soon as practicable after the Specified Price has been ascertained give notice to all the Shareholders (other than the Proposing Transferor) of the number and description of the Offered Shares and the Specified Price. The notice shall invite each of such Shareholders to state in writing to the Company within 30 days whether he is willing to purchase any, and if so what maximum number (“**Maximum**”), of the Offered Shares. The Directors shall at the same time give a copy of the notice to the Proposing Transferor.
- 10.5 On the expiration of the 30 day period referred to above or the date on which all Shareholders other than the Proposing Transferor have responded (if earlier) the Directors shall allocate, within 7 days, the Offered Shares to or amongst the Shareholders who have indicated that they wish to purchase the Offered Shares (“**Purchasers**”).
- 10.6 The allocation between the Purchasers shall in the case of competition be made *pro rata* to the nominal amount of shares held by each Purchaser and the total nominal amount of shares held by all the Purchasers but shall not exceed the Maximum which such Purchaser shall have expressed a willingness to purchase.
- 10.7 On the allocation being made and, if no Sale Condition was specified in the Transfer Notice or where a Sale Condition was specified in the Transfer Notice and such Sale Condition is satisfied, the Directors shall give details of the allocation in writing to the Proposing Transferor and each Purchaser, and on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the Proposing Transferor shall be bound, on payment of the purchase price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made. Where a Sale Condition was specified in the Transfer Notice and such Sale Condition is not satisfied, the Directors shall give written notice of this to the Proposing Transferor and each Purchaser.
- 10.8 If the Proposing Transferor, after becoming bound to transfer Offered Shares, fails to do so the Company may receive the purchase price and the Directors may appoint a person to execute instruments of transfer (or any other documents required to give effect to this Article 10) of the Offered Shares in favour of the Purchasers to whom the allocation has been made

and shall cause the names of those Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares acquired by them and shall hold the purchase price in trust for the Proposing Transferor without interest for the Proposing Transferor until the Proposing Transferor delivers to the Company his certificates (or such indemnity as the Company may reasonably require) for the Offered Shares. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person.

10.9 If, following the Directors giving details of the allocation in writing to the Proposing Transferor and each Purchaser as referred to in Article 10.7, any of the Offered Shares have not been allocated or the purchase of any Offered Shares for which a purchaser or purchasers have been found pursuant to this Article 10 is not completed within the time period specified in Article 10.7, the Proposing Transferor may (subject to the provisions of Articles 13 and 14) at any time within a period of 90 days following the Directors giving details of such allocation transfer the Offered Shares which have not been allocated (save to the extent that such Offered Shares have only not been allocated as a result of a Sale Condition in the relevant Transfer Notice) to any person and at any price (being not less than the Specified Price or deemed Specified Price as the case may be) provided that the Directors can refuse registration of a proposed transferee, at their discretion acting reasonably, if:

10.9.1 the transferee is or is believed to be someone or a nominee for someone considered by the Directors to be a competitor (or connected with a competitor) of the business of the Company (unless the provisions of Articles 13 or 14 apply); or

10.9.2 they are not satisfied that those shares are being transferred under a *bona fide* sale for the consideration stated in the transfer without any deduction, rebate or allowance to the purchaser (without prejudice, however, to the Directors' obligation to refuse to approve or register any transfer of shares in the circumstances described in Article 12).

11. MANDATORY TRANSFERS

11.1 If any individual Shareholder who is an employee of, a consultant to or a director of the Company or any of its subsidiaries or who otherwise provides services to the Company or any of its subsidiaries ceases for whatever reason to be an employee of, a consultant to or director of the Company or any of its subsidiaries or ceases to provide consultancy services to the Company or any of its subsidiaries then, subject to Article 11.6, such Shareholder

shall be deemed to be a “Leaver” and, subject to Article 11.6, shall be deemed to have given a Transfer Notice (a “Mandatory Transfer Notice”) on the Termination Date in respect of:

11.1.1 in the case of a Bad Leaver, all of (i) the shares then held by such Shareholder or in which they are beneficially interested, (ii) the shares (if any) held by their Privileged Relations, their Family Trusts, any of their Permitted Transferees and any person controlled by or associated with any of them or in which any of the foregoing are beneficially interested and (iii) any shares (if any) which have been allotted in respect of such shares by way of a rights issue, bonus issue or otherwise (together “Leaver’s Shares”); or

11.1.2 in the case of a Good Leaver:

(a) if the Termination Date falls prior to the first anniversary of the date of adoption of these Articles, 100% of the Leaver’s Shares; or

(b) if the Termination Date falls on or after the first anniversary of the date of adoption of these Articles, 50% of the Leaver’s Shares

in each case at a price determined in accordance with Articles 11.2, 11.3 or 11.4 below.

11.2 If the Leaver is a Good Leaver, the price for the Leaver’s Shares shall be the Fair Price.

11.3 If the Leaver is a Bad Leaver, the price for the Leaver’s Shares shall be the lower of the Subscription Price of the Leaver’s Shares paid by the relevant Leaver and the Fair Price.

11.4 The Fair Price shall be calculated as at the date on the Termination Date provided that if, the Directors so decide, the Transfer Price shall be such price as the Directors may agree with the Leaver.

11.5 Between the date of the deemed Mandatory Transfer Notice and the transfer of the relevant Leaver’s Shares following determination of the Transfer Value as appropriate, all rights attached to the relevant Leaver’s Shares shall forthwith be suspended.

11.6 A Good Leaver:

11.6.1 shall not be deemed to have served a Mandatory Transfer Notice if he has ceased to be employed, hold office or provide services to the Company or any Group Company after the expiry of two years from the date of adoption of these Articles; and

11.6.2 notwithstanding that the Termination Date falls prior to the second anniversary of the date of adoption of these Articles, may, if the Board so determine at its absolute discretion, be deemed not to have served a Mandatory Transfer Notice in respect of some or all of the Leaver's Shares

and may be permitted to retain some or all of the Leaver's Shares, but any Leaver's Shares so retained shall, unless the Board determines otherwise and in any event only until such Leaver's Shares are transferred to any other person (other than any of the Privileged Relations, the Family Trusts and the Permitted Transferees of such Good Leaver and any person controlled by or associated with any of them) in accordance with these Articles, carry no right to vote at or attend any general meetings of the Company.

11.7 The provisions of Articles 11.1 to 11.6 (inclusive) may at any time be waived in whole or part by the board of Directors.

11.8 For the purposes of Article 11.1 onwards, "**Termination Date**" shall mean:

11.8.1 where employment ceases by virtue of notice given by the employer to the Shareholder, the date on which such notice expires;

11.8.2 where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

11.8.3 where the Shareholder concerned is not an employee of the Company or any of its subsidiaries, the date on which his contract for services with the Company or any of its subsidiaries is terminated or he ceases to provide services to the Company or any of its subsidiaries; and

11.8.4 in any other case, the date on which the Shareholder's relevant contract is terminated.

12. **REGISTRATION OF TRANSFERS**

12.1 The Directors shall refuse to register a proposed transfer not made under or permitted by Articles 8, 8.7, 10, 13 or 14.

12.2 The Directors may also refuse to register a transfer of a share on which the Company has a lien.

12.3 The Directors may also refuse to register a transfer of a share to a Permitted Transferee under Article 8 if the transferor has not provided satisfactory evidence to the Board pursuant to a request made in accordance with Article 8.7.

12.4 A person executing an instrument of transfer of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect of it.

12.5 The first sentence of Regulation 24 of Table A shall not apply.

13. DRAG-ALONG RIGHTS

13.1 If one or more Shareholders holding more than 75% of the issued shares of the Company at the relevant time (together the “**Selling Shareholders**”) wish to transfer all their interest in their shares (the “**Sellers’ Shares**”) to a purchaser on *bona fide* arm’s length terms (the “**Third Party Purchaser**”), the Selling Shareholders shall have the option (the “**Drag Along Option**”) to require all other holders of shares (the “**Called Shareholders**”) to sell and transfer all their shares to the Third Party Purchaser (or as the Third Party Purchaser may direct) on terms that are not worse off than those afforded to the Selling Shareholders in accordance with this Article 13.

13.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (a “**Drag Along Notice**”) at any time before the transfer of the Sellers’ Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their shares (the “**Called Shares**”) pursuant to this Article 13, the person to whom the Called Shares are to be transferred, the date of completion of the sale of the Seller’s Shares, and the Drag Along Price.

13.3 A Drag Along Notice shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers’ Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve a further Drag Along Notice following the lapse of any particular Drag Along Notice.

13.4 The Called Shareholders shall be obliged to sell their Called Shares at the Drag Along Price (as defined in Article 13.5). In the event of a disagreement as to the value of the Drag Along Price, the matter shall be referred to shall be referred to a suitably qualified independent third party (acting as expert and not as arbitrator) nominated by the Called Shareholders or the Selling Shareholders (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding (in the absence of manifest error) and the cost of such expert shall be borne as he shall direct or, in default of such a direction, equally by the parties to the dispute or disagreement.

- 13.5 For the purposes of this Article 13, "**Drag Along Price**" means the amount that each Called Shareholder is to receive for each of their Called Shares, such amount to be equal to the aggregate of (i) the consideration to be paid by the Third Party Purchaser for each of the Seller's Shares (whether in cash, securities or otherwise or in any combination), and (ii) (if relevant) an amount equal to the relevant proportion of any other consideration received or receivable by the Selling Shareholders for each of their shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as additional consideration above the amount referred to in section (i) of this definition.
- 13.6 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 Seller's Shares unless:
- 13.6.1 all of the Called Shareholders and the Selling Shareholders agree otherwise;
- 13.6.2 that date is less than 10 days after the Drag Along Notice where it shall be deferred until the tenth day after the Drag Along Notice; or
- 13.6.3 the consideration is to be determined under Article 13.4 where the date shall be deferred until the tenth day after the consideration is agreed or determined unless the Called Shareholders and the Selling Shareholders agree in writing on an earlier date.
- 13.7 The rights of pre-emption set out in these Articles (including, without limitation, Article 10) shall not arise on any transfer of shares to a Third Party Purchaser (or as he may direct) pursuant to this Article 13 or a sale in respect of which a Drag Along Notice has been duly served.
- 13.8 If any holder of Called Shares does not on the date for completion of the sale of the Called Shares execute transfer(s) in respect of all the Called Shares held by him, the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf and against receipt by the Company (on trust for such shareholder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and the Directors shall, subject to the transfer(s) being duly stamped, forthwith register the Third Party Purchaser (or as he may direct) as the holder of such Called Shares, and the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this Article 13.8 that no share certificate has been produced.

13.9 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or otherwise (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice and the New Member shall thereupon be bound to sell and transfer such shares acquired by him to the Third Party Purchaser (or as he may direct) and the provisions of this Article 13 shall apply *mutatis mutandis* to the New Member.

13.10 Interpretation

In this Article 13:

13.10.1 the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment; and

13.10.2 the expression "shares" includes bearer shares, depository receipts and any other security or instrument into which shares may be converted with a view to a sale.

13.11 All other regulations of the Company relating to the transfer of shares and the rights to registration of transfers shall be read subject to the provisions of this Article 13.

14. TAG ALONG RIGHTS

14.1 The Shareholders may transfer all of their shares in the Company in accordance with the following provisions:

14.1.1 one or more Shareholders (the "Proposed Sellers") who whether individually or between them hold a Controlling Interest may accept a *bona fide* offer ("Offer") from a third party ("Proposed Buyer") for the purchase of the entire legal and beneficial interest in all shares owned by them in the Company for a consideration payable in cash and otherwise on arm's length terms so long as the acceptance is conditional upon the terms of this Article 14 being complied with in all respects and that condition is not waived;

14.1.2 the Proposed Sellers may complete a purchase pursuant to the Offer if:

- (a) they despatch a written notice within 10 days of accepting the Offer notifying all of the other Shareholders ("Remaining Shareholders") of the main terms of the Offer and that they have contracted to accept the Offer subject to the terms of this Article 14;

- (b) the Proposed Buyer has made a binding written offer to the Remaining Shareholders to acquire their shares at the same price per share and on terms that are not worse than those in the Offer that is kept open for at least 30 days from delivery of the notice pursuant to Article 14.1.2(a); and
- (c) the 30 day period referred to in Article 14.1.2(b) has elapsed or all Remaining Shareholders have accepted or completed the offer made to them.

14.2 The provisions of this Article 14 shall not apply where a Drag Along Notice has been served.

14.3 The rights of pre-emption set out in these Articles (including, without limitation, Article 10) shall not arise on any transfer of shares to a Proposed Buyer (or as he may direct) pursuant to a sale in accordance with this Article 14.

15. **GENERAL MEETINGS**

15.1 The Directors may call general meetings and Regulation 47 of Table A shall not apply to the Company.

15.2 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business to be transacted and Regulation 38 of Table A shall be modified accordingly.

15.3 Every notice convening a general meeting shall comply with the provisions of Section 325 of the CA 2006 as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors for the time being of the Company.

15.4 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Shareholder present in person or by proxy and entitled to attend and vote at such meeting. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

15.5 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote.

15.6 Each Shareholder present in person or by proxy or by representative and entitled to attend and vote shall be entitled, on a show of hands, to one vote and, on a poll, to one vote for each share held by him.

16. **DIRECTORS**

16.1 The number of Directors (other than alternate Directors) shall not be less than three and not more than ten. Regulation 64 of Table A shall not apply.

16.2 The quorum for meetings of the Directors shall be not less than three Directors in attendance, either in person or by alternate director which shall, to the extent the same have been appointed, be required to include any two of the IP2IPO Director (or his alternate), the OXTECH Director (or his alternate) and/or the University Director (or his alternate). If, within half an hour of the time set for the board meeting, a quorum is not present (save where the IP2IPO Director, the OXTECH Director and/or the University Director (to the extent the same have been appointed) shall have indicated his non-attendance and that the meeting should proceed as quorate without him), the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as all of the Directors present shall determine and the quorum at such adjourned meeting shall be any three Directors. All other Directors not present must be notified of the details of the adjourned meeting in writing.

16.3 Any Director able to participate in the proceedings of a meeting by means of a communication device (including, without limitation, a telephone) which allows all the other Directors present at such meeting (whether in person or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

16.4 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A meeting of the Directors shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the Chairman shall be deemed to be the place of the meeting. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Unless a majority of the Directors or their duly appointed

alternates present in the United Kingdom shall agree to the holding of a meeting by shorter notice, at least 7 days' notice of every meeting of Directors shall be given either in writing or by fax or other means of electronic communication to each Director, unless absent from the United Kingdom. Regulation 88 of Table A shall be amended accordingly.

- 16.5 At any meeting of the Directors, each Director (or his alternate Director) present at the meeting shall be entitled to one vote.
- 16.6 All decisions of the Board shall be taken by majority vote. In the case of an equality of votes at any meeting of the Directors the Chairman of such meeting shall not be entitled to a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 16.7 The second and third sentences of Regulation 79 of Table A shall not apply.
- 16.8 A Director and an alternate Director shall not be required to hold any shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company.
- 16.9 The Directors may delegate any of their powers, authorities and discretions for such time and on such terms and conditions as they think fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons (but so that the number of such other persons is less than half of the total number of members of any committee). Where a provision of these Articles refers to the exercise of a power, authority or discretion by the Board and that power, authority or discretion has been delegated by the Board to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.
- 16.10 For the purposes of Section 175 of the CA 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that Section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 16.11 Authorisation of a matter under Article 16.10 shall be effective only if:
- 16.11.1 the matter in question shall have been proposed in writing for consideration at a meeting of the directors, in accordance with the Board's normal procedures or in such other manner as the directors may approve;
- 16.11.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together the "**Interested Directors**");

- 16.11.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 16.12 Any authorisation of a matter pursuant to Article 16.10 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 16.13 Any authorisation of a matter under Article 16.10 shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be varied or terminated by the Directors at any time. Such conditions or limitations may include (without limitation):
- 16.13.1 (without prejudice to general obligations of confidentiality) the application to the Interested Director of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the matter;
- 16.13.2 the exclusion of the Interested Director from all information relating to, and discussion by the Company of, the matter; and
- 16.13.3 provision that, where the Interested Director obtains (other than through his position as a director of the Company) information that is confidential to a third party, the Interested Director will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 16.14 A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 16.15 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under Article 16.10 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 16.16 The provisions of Articles 16.10 to 16.15 shall take effect on and from 1 October 2008 or any other date on which Section 175 of CA 2006 comes into effect.

17. APPOINTMENT OF DIRECTORS

- 17.1 The Directors or the Company by ordinary resolution shall each have the power to appoint any person who is willing to act as a Director either to fill a vacancy or as an additional Director. Any Director so appointed shall (subject to Regulation 81 of Table A as amended

below and to the provisions of the Act) hold office until he is removed pursuant to these Articles.

- 17.2 IP2IPO shall, for so long as it holds no less than ten (10) per cent of the issued share capital of the Company, have the right exercisable by notice in writing to the Company to require the appointment of one (1) Director and by like notice to require the removal of such Director and the appointment of another person to act in place of such Director.
- 17.3 OXTECH shall, for so long as it holds no less than ten (10) per cent of the issued share capital of the Company, have the right exercisable by notice in writing to the Company to require the appointment of one (1) Director and by like notice to require the removal of such Director and the appointment of another person to act in place of such Director.
- 17.4 The University shall, for so long as it holds no less than ten (10) per cent of the issued share capital of the Company, have the right exercisable by notice in writing to the Company to require the appointment of one (1) Director and by like notice to require the removal of such Director and the appointment of another person to act in place of such Director.
- 17.5 Notice of any appointment or removal required under Articles 17.2 to 17.4 (inclusive) shall be given to the Company at its registered office and shall be copied in each case to the other Shareholders.

18. **ALTERNATE DIRECTORS**

- 18.1 Each Director shall have the power at any time to appoint as an alternate Director either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld or delayed), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 18.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.

18.3 An alternate Director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all general meetings. Regulation 66 of Table A shall not apply.

18.4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting. Regulation 67 of Table A shall not apply.

18.5 A Director or (subject to Article 18.1) any other person may act as an alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director and he shall, if his appointor is not present, be counted in the quorum present provided that any single individual present at a meeting of the Directors shall only be counted as one person for the purposes of the quorum.

19. **BORROWING POWERS**

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

20. **NOTICES**

20.1 Every Director and every alternate Director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the meeting convened by such notice.

20.2 A notice may be given:

20.2.1 by the Company to any holder of shares or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by fax or other means of electronic communication to him or to his registered address

or to the address supplied by him to the Company for the giving of notice to him;
or

20.2.2 to the Company for the purpose of these Articles by like method at its registered office for the time being.

In this Article “address”, in relation to electronic communications includes any number or address used for the purposes of electronic communication.

20.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. Where a notice is contained in an electronic communication, it shall be deemed to be effected at the time the electronic communication was sent.

21. **INDEMNITY**

21.1 Subject to the Acts, but without prejudice to any indemnity to which a director may otherwise be entitled, each director, former director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a director or other officer of the Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006) in the actual or purported execution and/or discharge of his duties, or in relation thereto, including any liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs.

21.2 Subject to the provisions of, and so far as may be permitted by the Acts, the Company shall be entitled to fund by way of loan the expenditure of every director or other officer of the Company incurred or to be incurred in defending any criminal or civil proceedings or in connection with any application for relief (as defined in section 205(5) of the CA 2006).

21.3 Subject to the Acts, the Company may buy and maintain insurance against any liability falling upon its directors or other officers or auditors which arises out of their respective duties to the Company, or in relation to its affairs.

22. **DATA PROTECTION**

- 22.1 Each of the Shareholders and Directors (from time to time) consent to the processing of their personal data by the Company, its Shareholders and Directors (each a “**Recipient**”) for due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 22.2 The personal data that may be processed for such purposes under this Article 22 shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or any regulated authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
- 22.2.1 a Member of the same Group as the Recipient (“**Recipient Group Companies**”);
 - 22.2.2 to employees, directors and professional advisors of that Recipient or the Recipient Group Companies; and
 - 22.2.3 to funds managed by any of the Recipient Group Companies.
- 22.3 Each of the Shareholders and Directors consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where is it necessary or desirable to do so.