

Company No 06146113

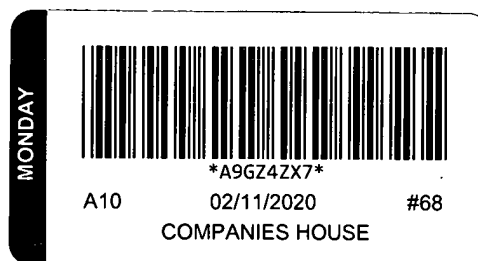
**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

- of -

GOHENRY LIMITED

(adopted by special resolution on 23 October 2020)



PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINITIONS

1.1 In these Articles unless the context requires otherwise:

A Shares: means the ordinary A shares of £0.0025 each in the capital of the Company and **A Share** means an ordinary A share;

A Shareholder: means a person who is the registered holder of an A Share;

Act: means the Companies Act 2006, as amended from time to time;

Acting in Concert: has the meaning given to it in the City Code on Takeovers and Mergers as for the relevant time being current provided that the Executive Shareholders shall not be treated as acting in concert with one another;

Adjustment Event: means any Bonus Issue or Reorganisation which takes place after the Date of Adoption;

Arrears: means in relation to any Share, all accrued but unpaid dividends on such Share;

Articles: means the Company's articles of association as altered or varied from time to time and **Article** means a provision of these Articles;

Asset Sale: means the disposal by the Company of all or substantially all of its undertaking and/or assets (excluding for the avoidance of doubt, the Company licencing intellectual property in the ordinary course of business);

Auditors: mean the auditors for the time being of the Company provided that if the auditors refuse or are unable to act in relation to the matter in question, reference to auditors shall be to a firm of chartered accountants nominated by the Board;

Available Profits: means profits available for distribution within the meaning of part 23 of the Act;

Bonus Issue or Reorganisation: means any return of capital (other than a buyback of any Shares as part of the Company's employee shareholder arrangements), bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Series A Shareholders) or any consolidation or sub-division or any repurchase or redemption of Shares (other than Series A Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding Shares in the Company in each case other than Shares issued as a result of the events set out in these Articles;

B Shares: means the ordinary B shares of £0.0025 each in the capital of the Company and **B Share** means an ordinary B share;

B Shareholder: means a person who is the registered holder of a B Share;

B Threshold Amount: means £200,000,000 (two hundred million pounds sterling);

Bankruptcy: means, in respect of an individual in England and Wales, individual insolvency proceedings, or, in a jurisdiction other than England and Wales, such individual insolvency proceedings which have an effect similar to that of bankruptcy;

Board: means the board of directors of the Company from time to time and any committee of the Board constituted for the purpose of taking any action or decision contemplated by these Articles;

C Shares: means the ordinary C shares of £0.0025 each in the capital of the Company and **C Share** means an ordinary C share;

C Shareholder: means a person who is the registered holder of a C Share;

C Threshold Amount: means £400,000,000 (four hundred million pounds sterling);

CEO: means the person appointed as the chief executive officer of the Company from time to time, being at the Date of Adoption, Alex Zivoder;

chairman: has the meaning given in Article 11;

Company: means GoHenry Limited whose company number is 06146113;

Controlling Interest: means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

Date of Adoption: means the date on which these Articles were adopted, as set out on page one of this document;

Deemed Liquidation Event: means a Share Sale or an Asset Sale;

Director: means a director of the Company, and includes any person occupying the position of director, by whatever name called;

document: includes, unless otherwise specified, any document sent or supplied in electronic form;

Edison: means Edison Partners IX, L.P. (a Delaware limited partnership whose principal place of business is at 281 Witherspoon Street, Princeton, NJ, 08540, United States of America) together with any Permitted Transferees to whom it makes a permitted transfer;

Edison Director: means the director of the Company nominated by Edison, pursuant to article 15.3 below;

Edison Director Consent: means the prior written consent of the Edison Director or an affirmative vote by the Edison Director in a meeting of the Board (or where no Edison Director is appointed, Investor Majority Consent);

electronic Form: has the meaning given in section 1168 of the Act;

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

Equity Securities: has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt:

- (a) includes all Shares; and
- (b) an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;

Executive Chairman: means the person appointed as executive chairman from time to time, being at the Date of Adoption, David Roche;

Executive Shareholders: has the meaning given to that term in the Subscription and Shareholders' Agreement;

Fully Diluted Share Capital: means the issued and to be issued share capital of the Company from time to time (assuming that all options granted and options available for grant under the Share Option Plan and any warrants over Shares and all other rights of conversion into Shares

in existence at such time are exercised in full, irrespective of whether or not such options, warrants or rights of conversion, as the case may be, are, on their terms, granted or exercisable or convertible at such time, but disregarding any B Shares or C Shares or any options or warrants granted over them);

fully paid: in relation to a Share, means the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

Governmental Authority: means any federal, state, local or other, whether domestic or foreign, government or any court, administrative agency or commission or other governmental or regulatory authority or agency, domestic or foreign;

Group: means the Company and its subsidiary undertaking(s) (if any) from time to time and **Group Company** shall be construed accordingly;

holder: in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;

Initial Price: means \$5.6942 per Series A Share (subject to adjustment in accordance with Article 20.11.3 to take account of any Adjustment Event);

Investor Majority: means the holder(s) of more than 50% of the Series A Shares for the time being in issue;

Investor Majority Consent: means the prior written consent of the Investor Majority;

instrument: means a document in hard copy form (which has the meaning given in section 1168 of the Act);

Liquidation Preference Adjustment Event: means: (i) the completion of a Qualified Financing; (ii) the receipt by the Company of a bona fide offer (which may be via a non-binding term sheet which in the reasonable opinion of Edison is capable of being consummated within a three (3) month time period) from a Qualifying Person, for a Qualified Financing which the Board approves but where such financing is not consummated as a result of Investor Majority Consent not being given; or (iii) the consummation of the Company of a Deemed Liquidation Event with a Qualifying Person with total consideration payable to Shareholders of at least \$400,000,000;

Listing: means the admission of all or any of the Shares (or securities representing such Shares including, without limitation, depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission for the same to be admitted to or traded or quoted on the Official List of the UK Listing Authority, NASDAQ or on the AIM market operated by the London Stock Exchange plc, or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

Market Value: has the meaning given in Article 23.6.1;

NASDAQ: means the NASDAQ stock market of the NASDAQ OMX Group Inc.;

New Securities: means any Equity Securities or other securities convertible into, or carrying the right to subscribe for, those Equity Securities issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events or circumstances set out in Article 20.10.6) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

NomineeCo: means Crowdcube Nominees Limited or such replacement nominee to which its Shares are transferred from time to time in accordance with Article 21.8;

ordinary resolution: has the meaning given in section 282 of the Act;

Ordinary Shareholder: means a person who is the registered holder of an Ordinary Share;

Ordinary Shares: means the ordinary shares of £0.0025 each in the capital of the Company and **Ordinary Share** means an ordinary share;

paid: means paid or credited as paid;

permitted transfer: means any transfer of Shares expressly permitted under Article 21;

Permitted Transferee: means, in relation to a Shareholder, a person to whom such Shareholder is expressly permitted to transfer Shares under Article 21;

Preference Amount: means (i) at any time prior to a Liquidation Preference Adjustment Event: (1) an amount equal to two times (2x) the Initial Price together with (2) an amount equal to any Arrears; or (ii) at the time of a Liquidation Preference Adjustment Event or at any time thereafter: (1) an amount equal to the Initial Price together with (2) an amount equal to any Arrears;

Preference Dividend: has the meaning given in Article 20.4.1(a);

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

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

Qualified Financing: means an equity financing or a series of linked equity financings (including the issue of securities convertible into shares in the capital of the Company) involving gross proceeds to the Company of at least \$20,000,000 from a lead investor who is a Qualifying Person (or such lower number as is agreed upon by Edison and the Company based on the Company's funding requirements) at a pre-money valuation of the Company of at least \$300,000,000;

Qualified Listing: means (i) the legal completion of a fully underwritten Listing in the United Kingdom or the United States of America in which the net aggregate subscription amount in respect of new Ordinary Shares (subject to appropriate adjustment to reflect any Adjustment Event and however such Ordinary Shares are then characterised) issued at the time of the Listing is not less than \$75,000,000 at an issue price per Ordinary Share which is equal to or greater than four (4) times the Initial Price (subject to appropriate adjustment to reflect any Adjustment Event and however such Ordinary Shares are then characterised); or (ii) a Listing which the Investor Majority determine should be classified as a Qualified Listing whether or not the conditions in part (i) of this definition are satisfied;

Qualifying Person: means:

- (a) any Shareholder being a body corporate or investment fund other than Edison; or
- (b) a person who is not, at the relevant time, a Shareholder;

Restricted Person: means any person (which shall include the directors, officers and controlling shareholders of any person being a body corporate) who:

- (a) is concerned, engaged or involved in, directly or indirectly, alone or jointly with any other person, and whether as a shareholder, partner, director, principal, consultant, employee, agent or by virtue of providing direct or indirect financial assistance or in any other capacity, any business which competes with the Business (or the business of any other member of the Group) from time to time;
- (b) has been charged with, indicted for or convicted of, a crime involving dishonesty or moral turpitude, fraud or similar malfeasance, or has been subjected to any sanction or similar regulatory action by any Governmental Authority for any crime involving dishonesty or moral turpitude, fraud or similar malfeasance;

- (c) is located in a country or territory that is subject to sanctions administered by the United States, the United Nations Security Council, the European Union or the United Kingdom;
- (d) is named on the sanctions list prepared by the Office of Foreign Assets Control of the US Department of Treasury;
- (e) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person or entity designated on any sanctions list maintained by the United States, the United Nations Security Council, the European Union or the United Kingdom;
- (f) deals in, or otherwise engages in any transaction involving property or interests in property blocked pursuant to any applicable sanctions administered by the United States, the United Nations Security Council, the European Union or the United Kingdom;
- (g) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the applicable prohibitions set forth in any of the paragraphs (i) to (iii) above
- (h) has breached any anti-money laundering laws;
- (i) in the opinion of the Board, is reasonably likely to have a material adverse effect on the reputation of the Group or to bring any such party into substantial disrepute; or
- (j) is reasonably determined by the Board to be acting on behalf of a person who would fall within paragraphs (a) to (i) above;

Second Tranche Shares: means up to 3,378,802 Series A Shares which may be issued by the Company pursuant to the terms of the Subscription and Shareholders' Agreement;

Series A Shares: means the series A convertible preferred shares of £0.0025 each in the capital of the Company and **Series A Share** means a series A convertible preferred share;

Series A Shareholder: means a person who is the registered holder of a Series A Share;

Shareholder: means an Ordinary Shareholder, an A Shareholder, a B Shareholder, a C Shareholder and/or a Series A Shareholder (as the context requires);

Shareholder Special Majority: means the holder(s) of 60% or more of the issued Shares (including a majority of the Series A Shares) for the time being in issue;

Share Option Plan: means the employee/advisor share option plan implemented by the Company on 19 May 2014 (as amended or replaced from time to time including for the purposes of granting options over A Shares, B Shares and/or C Shares and/or shares options to consultants);

Shares: means the Series A Shares, the Ordinary Shares, the A Shares, the B Shares and/or the C Shares and **Share** shall be construed accordingly;

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

Special Director Majority: means, in relation to the proposed termination of a Director's appointment pursuant to Article 16.1.7, all Directors other than the Director whose appointment is proposed to be terminated in accordance with Article 16.1.7, less one (1) Director;

special resolution: has the meaning given in section 283 of the Act;

Subscription and Shareholders' Agreement: means the subscription and shareholders' agreement dated on or around the Date of Adoption between Edison, the Other Investors, the Executive Shareholders, the Existing Shareholders (where applicable, as defined therein) and the Company (as varied, supplemented, adhered to or superseded in accordance with its terms for the time being);

subsidiary, subsidiary undertaking and parent undertaking: have the meanings set out in the Act;

Surplus Assets: has the meaning given to it in Article 20.5;

transmittee: means a person entitled to a Share by reason of the death or Bankruptcy of a Shareholder or otherwise by operation of law;

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

Valuers: means the Auditors unless;

- (a) a report on the Market Value is to be made pursuant to a Deemed Transfer Notice (as defined in Article 23.2) and, within 21 days after the date of the Deemed Transfer Notice, the Seller notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors give notice to the Company that they decline an instruction to report on Market Value,

when the Valuers shall be a firm of chartered accountants appointed by the Board with Edison Director Consent;

Voting Shares: means the Ordinary Shares, the A Shares and the Series A Shares; and

writing: means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.
- 1.3 For the purposes of section 20 of the Act, the relevant model articles shall be deemed to have been excluded fully and replaced with these Articles.
- 1.4 In these Articles the term "**includes**" or "**including**" shall mean includes or including without limitation.
- 1.5 A reference to an Article by number is to the relevant article of these Articles.
- 1.6 Headings used and references to Parts in these Articles do not affect their construction or interpretation.
- 1.7 References to a statute or statutory provision shall be a reference to it as it is in force as at the Adoption Date.
- 1.8 Unless the context otherwise requires:
 - 1.8.1 words in the singular include the plural and vice versa;
 - 1.8.2 words in one gender include the other genders; and
 - 1.8.3 words importing natural persons include corporations.

2. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

PART 2

DIRECTORS' POWERS AND RESPONSIBILITIES

3. DIRECTORS' GENERAL AUTHORITY

Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

4. SHAREHOLDERS' RESERVE POWER

4.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

4.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

5. DIRECTORS MAY DELEGATE

5.1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles:

5.1.1 to such person or committee;

5.1.2 by such means (including by power of attorney);

5.1.3 to such an extent;

5.1.4 in relation to such matters or territories; and

5.1.5 on such terms and conditions,

as they think fit.

5.2 If the Directors so specify, any such delegate may authorise further delegation of the Directors' powers by any person to whom they are delegated.

5.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

6. COMMITTEES

6.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.

6.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

7.1 The general rule about decision-making by Directors is that any decision of the Directors must be a majority decision at a meeting or a decision taken in accordance with Article 7.4.

7.2 If:

7.2.1 the Company only has one Director; and

7.2.2 no provision of these Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making.

7.3 All acts done by a meeting of Directors, or a committee of Directors or by any Director shall, even if it is discovered afterwards that:

7.3.1 there was a defect in the appointment of any Director; or

7.3.2 any Director had been disqualified from holding office; or

7.3.3 any Director had vacated office or was not entitled to vote

be valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

7.4 A decision of the Directors is taken in accordance with this Article 7.4 when all Eligible Directors indicate to each other by any means that they share a common view on a matter. A decision taken in accordance with Article 7.4 may take the form of a resolution in writing where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing. A decision may not be taken in accordance with this Article 7.4 if the Eligible Directors would not have formed a quorum at such a meeting. The term **Eligible Director** means a Director who would have been entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).

8. CALLING A DIRECTORS' MEETING

8.1 The Directors shall agree an annual timetable of meetings and will meet at least five (5) times per calendar year.

8.2 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.

8.3 Notice of any Directors' meeting must indicate:

8.3.1 its proposed date and time;

8.3.2 where it is to take place;

8.3.3 the proposed business of the meeting;

8.3.4 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

8.4 Notice of a Directors' meeting must be given to each Director, but need not be in writing.

8.5 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

9. PARTICIPATION IN DIRECTORS' MEETINGS

9.1 Subject to these Articles, Directors participate in a Directors' meeting or part of a Directors' meeting, when:

9.1.1 the meeting has been called and takes place in accordance with these Articles; and

9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

9.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

9.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

9.4 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.

10. QUORUM FOR DIRECTORS' MEETINGS

10.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on except a proposal to call another meeting.

10.2 The quorum for Directors' meetings shall be four (4) Eligible Directors or, if greater, such number of Eligible Directors present in person (or by phone, video link or alternate) representing a majority of all Directors appointed at the time of the meeting, and shall (subject to Article 10.3) include the Edison Director (if appointed) and one of the Executive Chairman or the CEO. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting, the Edison Director and one of the Executive Chairman or the CEO. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

10.3 The Edison Director, Executive Chairman and CEO may waive their right to be included in the quorum at any time in writing prior to a scheduled meeting of Directors.

10.4 If the total number of Directors for the time being is less than four (4) the Directors must not take any decision other than a decision:

10.4.1 to appoint further Directors; or

10.4.2 to call a general meeting so as to enable the Shareholders to appoint further Directors.

11. CHAIRING OF DIRECTORS' MEETINGS

11.1 The Directors may appoint a Director to chair their meetings.

11.2 The person so appointed for the time being is known as the chairman.

11.3 The Directors may terminate the chairman's appointment at any time. If the chairman is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

12. CONFLICTS OF INTEREST

12.1 Subject to Article 12.2, if a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested (an **Interested Director**), that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

- 12.2 If Article 12.3 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 12.3 This Article applies when:
- 12.3.1 the Directors have authorised any matter or situation proposed to them by any Interested Director which would, if not authorised, involve the Interested Director breaching his duty under section 175 of the Act to avoid conflicts of interest;
 - 12.3.2 the Company by ordinary resolution disapplies the provision of these Articles which would otherwise prevent an Interested Director from being counted as participating in the decision-making process;
 - 12.3.3 the Interested Director's interest is not reasonably regarded as likely to give rise to a conflict of interests as decided by a majority decision of the Board (that Director whose interest is under consideration is not to be counted as participating for voting purposes); or
 - 12.3.4 the Interested Director's conflict of interest arises from a permitted cause.
- 12.4 Any authorisation by the Directors under Article 12.3.1:
- 12.4.1 will be effective only if
 - (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted;
 - 12.4.2 may:
 - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the conflict;
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the conflict as the Directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the conflict at any meeting of the Directors and be

excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

- 12.5 Where the Directors authorise a conflict pursuant to Article 12.3.1, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the conflict and the Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 12.6 For the purposes of this Article, the following are permitted causes:
- 12.6.1 holding office (as a director or otherwise), employment or engagement with any subsidiary of the Company from time to time;
 - 12.6.2 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
 - 12.6.3 having a direct or indirect interest in or subscription, or an agreement to subscribe, for Shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such Shares or securities including the grant of an option over Shares pursuant to the Share Option Plan; and
 - 12.6.4 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former directors.
- 12.7 For the purposes of this Article 12, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- 12.8 Subject to Article 12.9, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- 12.9 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 12.10 No Director shall:
- 12.10.1 by reason of his office, be accountable to the Company for any benefit which he derives from any office or employment, or from any transaction or arrangement, or from any interest in any undertaking, that is authorised under Article 12.3 (and no such benefit shall constitute a breach of the duty under the Act not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit);
 - 12.10.2 be in breach of his duties as a Director by reason only of his excluding himself from the receipt of information, or from participation in discussion (whether at meetings of the Directors or otherwise), that will or may relate to any matter which is or may constitute a conflict of interest; or
 - 12.10.3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under Article 12.3 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection;

- 12.10.4 in the case of the Edison Director, be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information (or, if he is engaged in advising Edison as to investment decisions, information of a sensitive nature) obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised Article 12.3 or through his dealings with Edison, if his doing so would result in a breach of a duty or an obligation of confidence owed by him or by Edison in that connection or in relation to those dealings; or
- 12.10.5 in the case of the Edison Director, be in breach of his duties as a Director by reason only of his passing information belonging to the Company or relating to its business or affairs to Edison on a confidential basis.
- 12.11 A general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

13. RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors.

14. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these Articles the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

APPOINTMENT OF DIRECTORS

15. NUMBER AND METHODS OF APPOINTING DIRECTORS

- 15.1 Unless and until the Board shall otherwise determine (with Investor Majority Consent), the number of Directors shall be not less than two and no more than seven. Where at any time the number of Directors is less than seven, the Directors shall use all reasonable endeavours to procure the appointment of such number of further Directors as may be required to be appointed so that the number of Directors is seven.
- 15.2 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:
- 15.2.1 by ordinary resolution;
 - 15.2.2 by a decision of the Directors; or
 - 15.2.3 in accordance with the Subscription and Shareholders' Agreement.
- 15.3 Edison for so long as it and/or its Permitted Transferees hold not less than 5 per cent of the Fully Diluted Share Capital shall be entitled to nominate one natural person to act as the Edison Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. Edison shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 15.4 The Edison Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any subsidiary undertaking.
- 15.5 In addition to the appointment right of the Edison Director at article 15.3, Edison shall be entitled to appoint one person to act as an observer to the Board, to the board of directors of any

subsidiary undertaking and of any committee of the Board or board of directors of any subsidiary undertaking established from time to time. The observer shall be entitled to attend and speak at all such meetings and receive copies of all board papers as if she were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.

16. TERMINATION OF DIRECTOR'S APPOINTMENT

16.1 A person ceases to be a Director as soon as:

- 16.1.1 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a director by law;
- 16.1.2 a Bankruptcy order is made against that person;
- 16.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 16.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- 16.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 16.1.6 notification is received by the Company from the Director that the Director is resigning from office and such resignation has taken effect in accordance with its terms;
- 16.1.7 in the case of any Director other than the Edison Director, the CEO or the Executive Chairman, the other Directors (acting by a Special Director Majority) agree that such Director's appointment should be terminated; or
- 16.1.8 in the case of the Edison Director, he ceases to have an entitlement to be a Director pursuant to the terms of these Articles or the Subscription and Shareholders' Agreement.

16.2 Where a Director is convicted of a criminal offence liable to a custodial sentence, such Director must promptly inform the Board of their conviction and the Board may, by majority decision (excluding the affected Director), terminate that Director's appointment with immediate effect.

17. DIRECTORS' REMUNERATION

17.1 Directors may undertake any services for the Company that the Directors decide.

17.2 Directors are entitled to such remuneration as the Directors (acting on the recommendation of the Remuneration Committee) determine:

- 17.2.1 for their services to the Company as Directors; and
- 17.2.2 for any other service which they undertake for the Company.

17.3 Subject to these Articles, a Director's remuneration may:

- 17.3.1 take any form; and
- 17.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

17.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

- 17.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.
- 17.6 The Remuneration Committee of the Directors must comprise three (or such lower number as may be permitted by the provisions of the Subscription and Shareholders' Agreement) non-executive Directors (one of whom shall be the Edison Director (if appointed)) and the CEO. Decisions shall be taken by a majority vote of the members of the Remuneration Committee present. For the avoidance of doubt, the CEO shall be entitled to attend, present and vote at any meetings of the Remuneration Committee, but will not be entitled to participate or vote in matters pertaining to his/her compensation plan/package.
- 17.7 The Audit Committee of the Directors must comprise three (or such lower number as may be permitted by the provisions of the Subscription and Shareholders' Agreement) non-executive Directors (one of whom shall be the Edison Director (if appointed)). Decisions shall be taken by a majority vote of the members of the Audit Committee present. The CFO of the Company shall have the right to attend and present at any meetings of the Audit Committee but will not be entitled to vote on any matters to be decided by the Audit Committee.

18. DIRECTORS' EXPENSES

The Company may pay any reasonable expenses which the Directors (and their alternates and any company secretary) properly incur in connection with their attendance at:

- 18.1 meetings of Directors or committees of Directors;
- 18.2 general meetings;
- 18.3 separate meetings of the holders of any class of Shares or of debentures of the Company; or
- 18.4 otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

19. ALTERNATE DIRECTORS

- 19.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (**Appointor**) may appoint any Director or any other person as he thinks fit to be his alternate director to:
- 19.1.1 exercise that Director's powers; and
- 19.1.2 carry out that Director's responsibilities;
- in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.
- 19.2 The appointment of an alternate director shall not require approval by a resolution of the Directors.
- 19.3 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.
- 19.4 The notice must:
- 19.4.1 identify the proposed alternate; and
- 19.4.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

- 19.5 An alternate director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.
- 19.6 Except as these Articles specify otherwise, alternate directors:
- 19.6.1 are deemed for all purposes to be Directors;
 - 19.6.2 are liable for their own acts and omissions;
 - 19.6.3 are subject to the same restrictions as their Appointors; and
 - 19.6.4 are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member
- 19.7 A person who is an alternate director but not a Director:
- 19.7.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - 19.7.2 may sign a Directors' written resolution (but only if his Appointor does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 19.8 A Director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors.
- 19.9 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 19.10 An alternate director's appointment as an alternate shall terminate:
- 19.10.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 19.10.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - 19.10.3 on the death of the alternate's Appointor; or
 - 19.10.4 when the alternate's Appointor's appointment as a Director terminates.

PART 3

SHARES AND DISTRIBUTIONS

20. SHARES

- 20.1 The Shares shall carry the rights and privileges set out in these Articles. No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

20.2 Except as provided in these Articles, the Ordinary Shares, the A Shares, the B Shares, the C Shares and the Series A Shares shall rank pari passu in all respects but shall constitute separate classes of shares.

20.3 **Voting**

20.3.1 Subject to Article 20.3.5, the Ordinary Shares, the A Shares and the Series A Shares shall confer on each Ordinary Shareholder, A Shareholder or Series A Shareholder (as applicable) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

20.3.2 Subject to Article 20.6, the B Shares and the C Shares shall not confer on any B Shareholder or C Shareholder (as applicable and in respect of such shares) any right to receive notice of or to attend, speak or vote at any general meetings of the Company or to receive or vote on proposed written resolutions of the Company.

20.3.3 Subject to Article 20.3.4 where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each such Share held by him.

20.3.4 The Series A Shares shall carry the right to one vote per share unless, at the relevant time, the issued and outstanding Series A Shares are convertible into a greater number of Ordinary Shares or the holders of the Series A Shares are entitled to Anti-Dilution Shares (being Series A Shares) pursuant to Article 20.11 which have not yet been issued, in which case, each holder of Series A Shares shall be entitled (in respect of the Series A Shares held) to exercise such number of votes as is equal to the number of Ordinary Shares of which he would be the holder assuming: (a) he had been issued the maximum number of Anti-Dilution Shares (being Series A Shares) to which he is or was entitled to pursuant to Article 20.11; and (b) all of the Series A Shares of which he is (or would be, including any Anti-Dilution Shares (being Series A Shares) he is entitled to pursuant to Article 20.11) the holder were converted into Ordinary Shares at the then applicable Conversion Rate.

20.3.5 If a Shareholder:

(a) being an individual:

(i) becomes bankrupt or makes or purports to make any arrangement or composition with his creditors generally; or

(ii) suffers from mental disorder and is admitted to hospital or becomes subject to any court order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have; or

(b) being a body corporate either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over all or any material part of its undertaking or assets,

then unless the Board directs otherwise in writing, any Shares held by that Shareholder shall, with effect from the date of such event, cease to confer upon the holder thereof any right to receive notice of, or attend, speak or vote at, any general meeting of the Company, or any right to receive or vote on any written resolution of the Company until such time as another person is entered in the register of members of the Company as the holder of those Shares (or the relevant circumstance ceases to apply to the individual) at which point all such rights are restored in full.

20.4 Dividends

20.4.1 Preference Dividend

- (a) The Company will, (without any need for a resolution of the Board or of the Company), and before application of any profits to reserve or any other purpose, but subject to Article 20.4.1(b), pay in respect of each Series A Share (to the person registered as its holder on the relevant date) a fixed cumulative, non-compounding cash preferential dividend (the **Preference Dividend**) at the annual rate (assuming a 365-day year) of six (6) per cent of the Initial Price per Series A Share on the occurrence of:
 - (i) a Deemed Liquidation Event;
 - (ii) the winding up or liquidation of the Company; or
 - (iii) a Listing.
- (b) Where, prior to the occurrence of an event listed in Articles 20.4.1(a)(i) to 20.4.1(a)(iii) (inclusive), the Series A Shares have in accordance with these Articles been converted into Ordinary Shares automatically prior to or conditional on an event, including conversion pursuant to Articles 20.5.1(b) or 20.8.4, the Series A Shares shall cease to carry any entitlement to the Preference Dividend and the Company shall cease to have any obligation to pay the Preference Dividend.
- (c) If the Company is unable to pay in full on the due date any Preference Dividend by reason of having insufficient Available Profits then it will on that date pay it to the extent that it is then lawfully able to do so. Any Preference Dividend which is not paid on the due date as aforesaid shall be paid as soon as the Company has sufficient Available Profits and shall be paid in one or more instalments.
- (d) Unless the Company has insufficient Available Profits, the Preference Dividend will, notwithstanding that it is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the payment date specified in Article 20.4.1(a). If and to the extent that the debt so constituted is not paid in full on that date, the unpaid amount will carry interest at an annual rate of 4 per cent above the base rate from time to time of Barclays plc, calculated on a daily basis over a 365 day year from and including the date any sum becomes due to the actual date of payment, compounded to the end of each calendar month in respect of the period from that date up to (and including) the date of actual payment.

20.4.2 General

- (a) Subject to the Company having complied with Article 20.4.1 (if applicable) and subject to the Company having Available Profits, the Company may (acting with Investor Majority Consent) distribute any profits in respect of any financial year and such profits shall be applied amongst the holders of the Ordinary Shares, the A Shares and the Series A Shares (on an as converted basis) as if the same constituted one class of share.
- (b) The B Shares and the C Shares shall not carry any right to participate in any distribution of profits to be paid by the Company other than pursuant to Article 20.5.

20.5 Return of Capital, Share Sale and Listing

20.5.1 Return of capital

(a) On a return of capital on liquidation, capital reduction or otherwise (but excluding a conversion or purchase of own shares), any surplus assets of the Company remaining after the payment of its liabilities (the **Surplus Assets**) shall be applied in the following order of priority:

(i) subject to Article 20.5.1(b), first in paying to each holder of Series A Shares in priority to any payment to the holders of any other class of Share, an amount per share held equal to the Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Preference Amount, the remaining surplus assets shall be distributed to the Series A Shareholders pro rata to their respective holdings of Series A Shares);

(ii) thereafter as follows:

| Application of Surplus Assets (and order of priority) | Amount of Surplus Assets to be applied and paid to the holders of the Ordinary Shares and the A Shares (pro rata to the number of Ordinary and A Shares held, as if the Ordinary Shares and A Shares constituted one and the same class) | Amount of Surplus Assets to be applied and paid to the holders of the B Shares (pro rata to the number of B Shares held) | Amount of Surplus Assets to be applied and paid to the holders of the C Shares (pro rata to the number of C Shares held) |
|--|--|--|--|
| In respect of the Surplus Assets up to and including the B Threshold Amount | 99.999% | 0.0005% | 0.0005% |
| In respect of the Surplus Assets more than the B Threshold Amount and up to and including the C Threshold Amount | 90% | 9.9995% | 0.0005% |
| In respect of the Surplus Assets more than the C Threshold Amount | 80% | 10% | 10% |

If the percentage of Surplus Assets to be applied and paid to one class of share (or more than one class of share) is 0.0005% of the Surplus Assets, the payment obligation may be satisfied by paying any one shareholder (of the relevant classes or classes) this amount, rounded up to the nearest whole £1.

- (b) If the amount that would be received by the holders of Series A Shares under Article 20.5.1(a)(i) (in respect of such shares) is less than such Shareholders would receive if their Series A Shares were converted into Ordinary Shares, no Preference Amount shall be paid and the relevant Shareholders shall be deemed to have given a Conversion Notice in respect of all the Series A Shares held by them in accordance with Article 20.8 immediately prior to the relevant event and the Surplus Assets shall be applied solely in accordance with Article 20.5.1(a)(ii).

20.5.2 Share sale and Listing

- (a) On a Share Sale the Proceeds of Sale (whether or not in cash and whether or not received on one or more than one occasions) shall be distributed to the Shareholders selling Shares pursuant to such Share Sale in accordance with the order of priority and payment set out in Article 20.5.1 as if such Share Sale was a return of capital. In the event that there is a Share Sale of less than the entire issued share capital of the Company, the order of priority for the distribution of the Proceeds of Sale will be calculated by reference to the value of the Company as a whole (assuming a sale of its entire issued share capital) implied by the Share Sale. On a Share Sale, the costs and expenses incurred by one or more of the Shareholders and/or the Company in connection with a Share Sale (on behalf of the Shareholders participating in the Share Sale as a whole) of a type approved by the Board (including legal, accounting and corporate finance fees and VAT thereon in connection with the Share Sale) shall be borne by the Shareholders participating in the Share Sale pro rata to the amount received as part of such Share Sale. If the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
 - (i) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in accordance with this Article 20.5.2; and
 - (ii) the Shareholders shall take any action required by the Board to ensure that the Proceeds of Sale in their entirety are distributed amongst the Shareholders in accordance with this Article 20.5.2.
- (b) In respect of a Listing, the Shareholders undertake to pass such resolutions as the Board reasonably direct to ensure that the shareholdings in the Company immediately prior to the Listing reflect the order of priority and entitlement to payment set out in Article 20.5.1 (including by converting shares to different classes such as deferred shares and/or paying up shares). For this purpose, the Surplus Assets shall be the Pre-New Money Valuation. The **Pre-New Money Valuation** means the proposed value of the Company on the Listing as determined by the Board after consultation with the broker (or equivalent) of the Company (but excluding any new ordinary shares issued upon the Listing).

20.6 Asset Sale

On an Asset Sale the distributable profits and reserves of the Company's subsidiaries shall be distributed to the Company and the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so)

in the order of priority set out in Article 20.5.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles or if otherwise required by the Board, the Shareholders shall take any action required in connection with the foregoing including creating distributable profits or reserves by way of reduction of capital or such action as may be necessary to put the Company or any subsidiary into voluntary liquidation so that Article 20.5.1 applies.

20.7 Class Rights

- 20.7.1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares or with the written consent of the holders of 75% or more in nominal value of the issued shares of that class. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class of Shares present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article 20.7 one holder of Shares present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting, provided that, in the case of a meeting in relation to the Series A Shares, quorum shall only be present if Edison is present in person or by proxy.
- 20.7.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.

20.8 Conversion of Series A Shares (and Qualified Listing)

- 20.8.1 A holder of Series A Shares may at any time, by notice in writing to the Company (a **Conversion Notice**), require the conversion of all or some only of the Series A Shares held by it at any time into Ordinary Shares.
- 20.8.2 Those Series A Shares specified in a Conversion Notice shall convert automatically on the date such Conversion Notice is served on the Company unless the Conversion Notice states that conversion is to be effective on some later date, or when any conditions specified in the Conversion Notice have been fulfilled, in which case conversion shall take effect on that later date, or when such conditions have been fulfilled (as the case may be) (the **Conversion Date**).
- 20.8.3 If a conversion is subject to any condition(s) specified in the Conversion Notice being fulfilled, if such condition(s) has not been satisfied or waived in writing by the relevant holder of those Series A Shares by the Conversion Date, such conversion shall be deemed not to have occurred.
- 20.8.4 Notwithstanding the other provisions of this Article 20.8, all of the Series A Shares shall automatically convert into Ordinary Shares:
- (a) on the date of a notice to the Company given by the Investor Majority (which date shall be treated as the Conversion Date); or
 - (b) immediately upon the occurrence of a Qualified Listing,
- and the relevant holders shall consent to all necessary actions to facilitate such conversion upon the terms of this Article 20.8.
- 20.8.5 Any conversion pursuant to Article 20.8.4(b) will only be effective immediately prior to such Qualified Listing (and **Conversion Date** shall be construed accordingly) and, if such Qualified Listing does not become effective or does not take place, such conversion shall be deemed not to have occurred.

- 20.8.6 On the Conversion Date, the relevant Series A Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series A Share held (subject to adjustment to take account of any Adjustment Event) (the **Conversion Rate**) and the Ordinary Shares resulting from such conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 20.8.7 Not more than five (5) Business Days after the Conversion Date (or in the case of conversion pursuant to Article 20.8.4(b), not less than five (5) Business Days prior to the occurrence of the Qualified Listing) each holder of the relevant Series A Shares shall deliver the certificate (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) in respect of the shares being converted to the Company at its registered office for the time being.
- 20.8.8 The Company shall on the Conversion Date enter the holder of the converted Series A Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivering its certificate(s) (or indemnity) in respect of the relevant Shares in accordance with this Article 20.8, the Company shall within ten (10) Business Days of the Conversion Date forward to such holder of the relevant Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.

20.9 Share Option Plan

The Company shall not issue options under the Share Option Plan other than with the approval of the Remuneration Committee.

20.10 Further Issue of Shares

- 20.10.1 Subject to the remaining provisions of this Article 20.10, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

(a) allot Shares; or

(b) grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

(c) this authority shall be limited to a maximum nominal amount of:

(i) £17,455.49 in relation to the grant of rights to subscribe for or the allotment and issue of A Shares, B Shares and/or C Shares pursuant to the Share Option Plan; and

(ii) £21,952.17 in relation to the grant of rights to subscribe for or the allotment and issue of Shares (other than A Shares, B Shares and/or C Shares) pursuant to the Subscription and Shareholders' Agreement or as permitted by Articles 20.10.6(e) to 20.10.6(g).

(d) this authority shall only apply insofar as the Company has not by resolution waived or revoked it;

(e) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

This authority is in substitution to all subsisting authorities.

- 20.10.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 20.10.3 Unless otherwise agreed by special resolution (with Investor Majority Consent) and subject to the Subscription and Shareholders' Agreement, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Shares (the **Subscribers**) on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares (as if the Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer shall be in writing, be open for acceptance from the date of the offer to the date 20 Business Days after the date of the offer (inclusive) (the **Subscription Period**) and give details of the number and subscription price of the New Securities.
- 20.10.4 As soon as practicable following the end of the Subscription Period, New Securities shall be allotted to the Subscribers in accordance with their applications (as nearly as may be without involving fractions) and, subject to Article 20.10.8, if after the allotments have been made pursuant to this Article 20.10.4 or Article 20.10.8, all of the New Securities have not been allotted such New Securities shall be offered:
- (a) first, to any Subscribers who did not receive their full allocation, as part of their application; and
 - (b) secondly, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 20.10.5 Subject to the requirements of Articles 20.10.3, 20.10.4 and 20.10.8 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 20.10.6 The provisions of Articles 20.10.3 to 20.10.5 (inclusive), 20.10.8 and 20.11 shall not apply to (and the issue of **New Securities** shall not include):
- (a) the issue of any Shares pursuant to options granted under the Share Option Plan or any other option agreement entered into prior to the Adoption Date;
 - (b) the grant of further options under the Share Option Plan approved by the Remuneration Committee and the issue of any Shares pursuant to such options;
 - (c) new Shares issued or granted in order for the Company to comply with its obligations under these Articles or the Subscription and Shareholders' Agreement including, but not limited to:
 - (i) the issue of any Second Tranche Shares;
 - (ii) the issue of any Ordinary Shares on conversion of any Series A Shares;
 - (iii) the issue of Anti-Dilution Shares; or
 - (iv) the issue of any new Shares on conversion of existing Shares in connection with a Listing and as contemplated by Article 20.5.2; or

- (d) any Shares issued by the Company pursuant to a share split or other reorganisation or other Adjustment Event, in each case which has been approved by the Board;
- (e) subject to Edison Director Consent, New Securities issued in consideration of the acquisition by the Company of any company or business;
- (f) any Shares or other securities issued by the Company as part of any bona fide venture debt financing approved by the Board (acting with Edison Director Consent);
- (g) any Shares or other securities issued by the Company to customers, suppliers or other strategic partners in connection with the bona fide supply of goods or services to or from them provided that both the supply of such goods and/or services and the terms of the proposed issuance of Shares or other securities have been approved by the Board (acting with Edison Director Consent) or
- (h) the re-designation of any Ordinary Shares as Series A Shares pursuant to Article 20.17.10.

20.10.7 Any New Securities offered under this Article to a Series A Shareholder may be accepted in full or part by any member of the same Group as that Series A Shareholder.

20.10.8 Where, in relation to an issue of New Securities, the provisions of this Article are not disapplied by special resolution and any Series A Shareholder(s) do not apply for all New Securities offered to them pursuant to Article 20.10.3 (the **Series A Offered Securities**) by the end of the period set out in Article 20.10.3, the Company shall offer the Series A Offered Securities not applied for to the other Series A Shareholders who have applied for the relevant New Securities (pro rata to the New Securities applied for as nearly as may be without involving fractions). The offer shall be in writing, be open for acceptance from the date of the offer to the date 5 Business Days after the date of the offer (inclusive). Such Series A Offered Securities shall be allotted to the relevant Series A Shareholders in accordance with their applications (if any) as nearly as may be without involving fractions.

20.10.9 No Equity Securities shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company. **ITEPA** means Income Tax (Earnings and Pensions) Act 2003 as amended or replaced from time to time.

20.11 Anti-dilution protection

20.11.1 Subject to Article 20.10.6, if New Securities are issued by the Company at a price per New Security which is less than the Initial Price (a **Qualifying Issue**) (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as an expert and not as an arbitrator as being in its opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent the Investor Majority shall have specifically waived the rights of all of the holders of Series A Shares, issue to each holder of Series A Shares (the **Exercising Investor**) a number of New Securities (of the same class as, and ranking *pari passu* with, the New Securities referred to in the first line of this Article 20.11.1 determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 20.11.3 (the **Anti-Dilution Shares**):

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

Where:

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

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

SIP = the Initial Price;

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

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

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

Z = the number of Series A Shares held by the Exercising Investor prior to the Qualifying Issue.

20.11.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company (without any further authority required than that contained in these Articles) unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par;
- (b) subject to the payment of any cash payable pursuant to Article 20.11.2(a) (if applicable) within 10 Business Days of the date of the Qualifying Issue be issued to the Exercising Investors in accordance with Article 20.11.1 and credited as fully paid up in cash; and
- (c) have the same rights as the other shares of the same class already in issue, save that if the Anti-Dilution Shares are Series A Shares the amount to which the holder thereof is entitled to receive under Article 20.5 shall be limited to an amount per Anti-Dilution Share held equal to the par value of such share to the extent paid up in cash.

20.11.3 In the event of any Adjustment Event, the Initial Price shall be subject to adjustment on such basis as may be agreed between the Company and an Investor Majority within ten (10) Business Days after the relevant Adjustment Event. If the Company and an Investor Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company or as it may determine based on the merits of the position of the respective parties.

20.12 Fractional entitlements

20.12.1 If on any consolidation and division or sub-division of Shares, Shareholders are entitled to fractions of Shares, the Directors may:

- (a) sell the Shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and
- (b) distribute the net proceeds of sale in due proportion among the holder of the Shares.

20.12.2 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that Shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

20.12.3 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant person.

20.12.4 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

20.13 Company not Bound by Less than Absolute interests

20.13.1 Except as required by law or as otherwise required for the purpose of giving effect to Article 21.8, no person is to be recognised by the Company as holding any Share pursuant to any trust arrangement, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

20.14 Electronic Communications

20.14.1 Without prejudice to Article 48, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Act (including via a website duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors).

20.14.2 For the purposes of Article 20.14.1, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 20.14.

20.14.3 When any notice or communication is sent by means of a website or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website or other similar mechanism in accordance with Schedule 5 of the Act.

20.14.4 Any notice or communication sent by means of a website or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission.

20.14.5 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control.

20.14.6 Each Shareholder and Director shall, for the purposes of paragraphs 6 and 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website.

20.15 Share Certificates

20.15.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

20.15.2 Every certificate must specify:

- (a) in respect of how many Shares, of what class, it is issued;
- (b) the nominal value of those Shares;
- (c) that the Shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

20.15.3 No certificate may be issued in respect of Shares of more than one class.

20.15.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

20.15.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Act.

20.16 Replacement Share Certificates

20.16.1 If a certificate issued in respect of a Shareholder's Shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

20.16.2 A Shareholder exercising the right to be issued with such a replacement certificate:

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

- 20.16.3 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.

20.17 Share Transfers

- 20.17.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- 20.17.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- 20.17.3 The Company may retain any instrument of transfer which is registered.
- 20.17.4 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- 20.17.5 The Directors may refuse to register the transfer of a Share, and if they do so the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 20.17.6 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance and is deemed to include a warranty that the transferor transfers with full title guarantee.
- 20.17.7 No Shareholder shall sell, transfer, assign, charge or otherwise dispose of any Share or any interest in any Share except in accordance with Articles 21, 22, 23, 24 or 25.
- 20.17.8 The Directors may as a condition to the registration of any transfer of shares in the Company require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Subscription and Shareholders' Agreement or any other shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document).
- 20.17.9 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name.
- 20.17.10 The Board may (with Investor Majority Consent) re-designate any Ordinary Shares transferred pursuant to Article 21.6 as Series A Shares.

21. PERMITTED TRANSFERS

- 21.1 For the purposes of Articles 21, 22 and 23:

- 21.1.1 **Family Company** means, in relation to a Shareholder, a company which is controlled by such Shareholder or a Family Member or a Family Trust;

- 21.1.2 **Family Member** means, in relation to a Shareholder, any of his spouse, civil partner (or widow or widower), children and grandchildren (including step and adopted children and grandchildren);
- 21.1.3 **Family Shares** means, in relation to a Shareholder, any Shares for the time being held by that Shareholder or any of his Family Members or trustees of his Family Trust;
- 21.1.4 **Family Trust** means, in relation to a Shareholder, a trust (including a self- invested personal pension) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or (if applicable) any of his Family Members and under which no power of control over the voting powers conferred by any Shares, the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or (if applicable) any of his Family Members;
- 21.1.5 **investment fund** means any arrangement constituting a collective investment scheme for the purpose of section 235 Financial Services and Markets Act 2000 (as amended or re-enacted for the time being) or which would constitute such a scheme if it did not fall within an exemption or exclusion to that section;
- 21.1.6 **a member of the same Group** means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary;
- 21.1.7 **a member of the same Fund Group:** means in relation to an investment fund is a nominee of that investment fund:
- (a) any unit trust which is a participant or partner in or member of any investment fund (but only in connection with the dissolution of the investment fund or any distribution of assets of the investment fund pursuant to the operation of the investment fund in the ordinary course of business);
 - (b) any investment fund managed or advised by that fund manager;
 - (c) any parent undertaking or subsidiary of that fund manager, or any subsidiary of any parent undertaking of that fund manager; or
 - (d) any trustee, nominee or custodian of such investment fund and vice versa;
- 21.1.8 **permitted transfer** means any transfer of Shares expressly permitted under this Article 21.
- 21.2 A Shareholder may make a permitted transfer without restriction as to price or otherwise, subject to the provisions of this Article 21.
- 21.3 **Family members and trusts**
- 21.3.1 Subject to Article 21.3.2(a), any Shareholder who is an individual may at any time transfer Shares originally allotted to and still held by him to a person or persons shown to the prior reasonable satisfaction of the Board to be:
- (a) a Family Member of his; or
 - (b) trustees to be held under a Family Trust for that Shareholder; or
 - (c) a Family Company of his.
- 21.3.2 Where Shares are held by trustees under a Family Trust:

- (a) those Shares may, on any change of trustees, be transferred by those ~~trustees to any new trustee of that Family Trust whose identity has been~~ approved in writing by the Board;
- (b) those Shares may at any time be transferred by those trustees to the settlor of that trust or any other person or entity to whom the settlor could have transferred them under Article 21.3.1 if he had remained the holder of them; and
- (c) if and whenever any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under Article 21.3.2(b)), the trustees shall forthwith give a Transfer Notice (as defined in Article 22.4) in respect of all the Shares then held by those trustees and in any event within 28 days of the Shares ceasing to be so held.

21.3.3 If any person has acquired Shares as a Family Member of a Shareholder who holds Shares representing more than 1% of the issued Shares by way of one or more permitted transfers and that person ceases to be a Family Member of that Shareholder, that person shall forthwith transfer all of the Shares then held by that person back to that Shareholder, for such consideration as they agree, within 90 days of the cessation or, in default of such agreement, for equivalent consideration to the consideration for which such Shares were originally acquired by the Family Member.

21.3.4 A Family Company shall be entitled at any time to transfer any Shares held by it to any person to whom the original Shareholder would be permitted to transfer to under this Article 21.

21.3.5 If the personal representatives of a deceased Shareholder are permitted under these Articles to become registered as the holders of any of the deceased Shareholder's Shares and elect to do so, such Shares may at any time be transferred by those personal representatives under this Article 21.3 to any person to whom the deceased Shareholder could have transferred such Shares under this Article 21.3 if he had remained the holder of them. No other transfer of such Shares by personal representatives shall be permitted under this Article 21.3.

21.3.6 Any transfer of any Share pursuant to this Article 21.3 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust, where applicable).

21.4 Groups of companies

21.4.1 Any Shareholder which is a body corporate may at any time transfer any Shares held by it to a member of the same group.

21.4.2 Where Shares have been transferred under Article 21.4.1 (whether directly or indirectly or by a series of such transfers) from a Member (the **Transferor**) to a member of the same group as the Transferor (the **Transferee**) and subsequent to such transfer the Transferee ceases to be a member of that group the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree and if they do not do so within 28 days of the date upon which the Transferee ceases to be a member of the same group the directors may (and will if so requested by an Investor Majority) at anytime thereafter require the Transferee to serve a Transfer Notice in respect of such Shares.

21.5 Investment funds

21.5.1 Any Shares held by or on behalf of an investment fund may be transferred:

- (a) to the investment fund for whom the Shares are held; or
- (b) to another investment fund which is managed or advised by the same manager or adviser as the transferor or by a manager or adviser which is a member of the same group as the transferor's manager or adviser; or
- (c) to any unit-holder, shareholder, partner or participant in, or manager or adviser (or an officer or employee, past or present, of such partner, manager or adviser) of that investment fund; or
- (d) to any custodian or nominee or other person so authorised, to be held solely on behalf of any person referred to in Article 21.5.1(a), (b) or (c) above.

21.6 Executive Shareholders

Any Executive Shareholder (or any Family Company, Family Member or Family Trust of an Executive Shareholder) may at any time (in one or more transactions) transfer Shares representing less than, in the aggregate, 10% of the Shares held by that Executive Shareholder (whether directly or indirectly held) as at the Date of Adoption to a third party (subject always to Article 22.4).

21.7 Entire interest

Any transfer of any Share pursuant to this Article 21 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries as contemplated by this Article 21).

21.8 NomineeCo Permitted Transfers

21.8.1 NomineeCo may at any time transfer all (but not some only) of the Shares held by it, subject always to any trusts and/or any other agreement relating to the terms on which it holds such Shares, to a suitable third party trust company for administrative purposes, provided that the identity of such proposed transferee has been approved in writing by the Board (such approval not to be unreasonably withheld or delayed).

21.8.2 Where NomineeCo is the holder of any Shares on trust for another person (a **Beneficial Owner**) then, subject to any declaration of trust or other agreement between NomineeCo and the Beneficial Owner, the Beneficial Owner shall be entitled at any time to transfer his beneficial interest in those Shares without restriction to:

- (a) a Family Member of such Beneficial Owner;
- (b) a Family Trust of such Beneficial Owner; or
- (c) any other Shareholder whose Shares are also held on trust by NomineeCo, provided that, in each such case, the legal title in such Shares continues to be held by NomineeCo.

21.9 Death, bankruptcy etc of a permitted transferee

21.9.1 On the death (subject to Article 21.2), bankruptcy, liquidation, administration or administrative receivership of a person to whom a permitted transfer has been made (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must (unless the Board determines otherwise) within 20 Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by such person without restriction as to

price or otherwise. The transfer shall be to the person who made the permitted transfer if still living or in existence (and not bankrupt or in liquidation) or, if so directed by such person, to any person it could have made a permitted transfer. If the transfer is not executed and delivered within five (5) Business Days of such period or if the person who made the permitted transfer has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice unless the board determines otherwise.

22. VOLUNTARY TRANSFERS

- 22.1 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 22.2 Prior to any Share being transferred under this Article 22, a Selling Shareholder (as defined in Article 24.1) who transfers, proposes to transfer or purports to transfer a Share must first comply with requirements set out at Article 24 before going through the process prescribed by this Article 22.
- 22.3 Except as otherwise permitted or otherwise required by Article 21, Article 22, Article 24.4.1, Article 24.5.2, Article 25 or Article 26 no Shares held by a Shareholder (**Seller**) may be transferred unless (having complied with Article 24, where applicable) his Shares are first offered to each of the other Shareholders in accordance with this Article 22.
- 22.4 Without prejudice to Article 20.17.5, the Directors may refuse to register a transfer if:
- 22.4.1 it is a transfer of a Share to a bankrupt (or if a corporate, to an insolvent entity) or a minor or a person of unsound mind;
 - 22.4.2 the transferee is a person who the Directors determine in their absolute discretion is a Restricted Person; or
 - 22.4.3 the transfer is to an Employee or Director or prospective Employee or prospective Director, who in the opinion of the Directors is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company.
- 22.5 Before transferring any Shares the Seller shall give notice in writing (**Transfer Notice**) to the Company irrevocably appointing the Company as his agent for the sale of the Shares mentioned in the notice together with all rights in those Shares.
- 22.6 In the Transfer Notice the Seller shall specify:
- 22.6.1 the number of Shares which he wishes to transfer (**Sale Shares**);
 - 22.6.2 the identity of the person (if any) to whom the Seller wishes to transfer the Sale Shares (**Proposed Transferee**);
 - 22.6.3 the price (in cash) per share at which the Seller wishes to transfer the Sale Shares (**Proposed Price**);
 - 22.6.4 any other terms relating to the transfer of the Sale Shares; and
 - 22.6.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 22 (**Total Transfer Condition**).
- 22.7 Each Transfer Notice shall
- 22.7.1 relate to one class of Share only;

- 22.7.2 constitute the Company as the agent of the Seller for the sale of the Sale Shares on the terms of this Article 22;
- 22.7.3 save as provided in Article 22.11, be irrevocable; and
- 22.7.4 not contain or be deemed to contain a Total Transfer Condition unless the same is both expressly stated therein and permitted by these Articles.
- 22.8 The Sale Shares shall be offered for purchase in accordance with this Article 22 at the Proposed Price.
- 22.9 Promptly after the date of a Transfer Notice (or in the case of a Deemed Transfer Notice, if later, the date of the Proposed Price being determined) the Company shall by notice in writing offer the Sale Shares to the other Shareholders (**Offer Notice**) and invite each of the other Shareholders to state in writing to the Company within 14 days of the date of the notice in writing (**Offer Period**) the number of Sale Shares in respect of which they wish to accept the offer and the Company shall (subject to Article 24.4.1(b) Article 24.4.3 and Article 24.5.3) offer the Sale Shares in the following order of priority:
- 22.9.1 first, to all Shareholders (other than: (i) the Shareholder to whose Sale Shares the Offer Notice relates; or (ii) any B Shareholder or C Shareholder) (**Eligible Shareholders**) in accordance with their then existing pro rata holdings of Shares; and
- 22.9.2 second, to any Eligible Shareholders who indicate that they wish to purchase more Sale Shares than they may otherwise be entitled to purchase under Article 22.9.1), which, in the event of over-subscription under this Article 22.9.2, shall be determined according to the Eligible Shareholders' then existing pro rata holdings of Shares or the amount of the Sale Shares in respect of which they have accepted the offer, whichever is less.
- 22.10 If an Eligible Shareholder wishes to accept the offer (**Accepting Shareholder**) he shall give written notice to the Company on or before the end of the Offer Period.
- 22.11 The Directors shall within seven days of the end of the Offer Period notify the Accepting Shareholders of their allocation and shall inform the Seller of the identity of the Accepting Shareholders and the number of Sale Shares allocated to each Accepting Shareholder. If the Sale Shares are subject to a Total Transfer Condition then any allocation made under Article 22.11 will be conditional on the fulfilment of the Total Transfer Condition. If such Total Transfer Condition has not been satisfied, the Seller may revoke the Transfer Notice by notice in writing to the Directors.
- 22.12 If, following the application of Article 22.9, there are still no or insufficient acceptances of the offer, the Company shall inform the Seller within seven days of the end of the Offer Period and the Seller may transfer those Sale Shares for which there are no Accepting Shareholders to the Proposed Transferee or any bona fide third party purchaser, in each case, where approved in writing by the Board (such consent not to be unreasonably withheld or delayed (subject to Article 22.4), the Seller providing the Board such information as it may require to make its determination) at a price per Sale Share which is not less than the Proposed Price, without any deduction, rebate or allowance to the proposed third party purchaser, provided that:
- 22.12.1 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of the Board, to sell only some of the Sale Shares under this Article 22; and
- 22.12.2 such transfer must be completed within 60 days of the date of such notice from the Company.
- 22.13 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 22:

- 22.13.1 the Board may authorise any person (who shall be deemed to be irrevocably appointed as the attorney of that Seller for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Seller's behalf;
- 22.13.2 the Company may receive the purchase money for such Sale Shares from the Accepting Shareholder(s) and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Accepting Shareholder(s) as the holder of such Sale Shares;
- 22.13.3 the Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held;
- 22.13.4 the Company's receipt for such purchase money shall be a good discharge to the Accepting Shareholder who shall not be bound to see to the application of it, and
- 22.13.5 after the name of the Accepting Shareholder has been entered in the register of members in purported exercise of the power conferred by this Article 22.13, the validity of the proceedings shall not be questioned by any person.
- 22.14 If instructed to report on their opinion of Market Value under these Articles the Valuers shall:
- 22.14.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and
- 22.14.2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing buyer would agree with a willing seller to be the purchase price for all the class of Shares of which the Sale Shares forms part, divided by the number of issued Shares then comprised in that class.
- 22.15 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and to the Seller within 25 Business Days of being requested to do so. The Seller shall execute such hold harmless and/or engagement letter as with the Valuer as the Company reasonably directs.
- 22.16 The Valuers' fees for reporting on their opinion of the Market Value shall be paid as to one half by the Seller and as to the other half by the Accepting Shareholders pro rata to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased pursuant to this Article 22, when the Seller shall pay all the Valuers' fees.
- 22.17 The provisions of this Article 22 shall not apply where the Company purchases or proposes to purchase any of its own Shares (including any redeemable Shares).

23. COMPULSORY TRANSFERS

- 23.1 In this Article 23, a Transfer Event occurs, in relation to any Shareholder:
- 23.1.1 if a Shareholder or any Family Member or the trustees of any Family Trust of a Shareholder shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and does not cure this to the satisfaction of the Board within 5 Business Days of a request to do so from the Board; or
- 23.1.2 if that Shareholder being an individual who holds Shares representing more than 1% of the issued Shares:
- (a) becomes Bankrupt or makes or purports to make any arrangement or composition with his creditors generally; or
- (b) is or becomes mentally incapacitated (in the opinion of a registered medical practitioner provided to the Board in writing) and is admitted to hospital or

becomes subject to any court order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have;

- 23.1.3 if that Shareholder being a body corporate either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over all or any part of its undertaking or assets;
- 23.1.4 if a Shareholder shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by Articles 21.3.2(c), 21.4.2 or 21.9,
- and within the following 12 months of the Board becoming aware of this the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 23.
- 23.2 Upon the Board passing a resolution under Article 23.1 that the same is a Transfer Event the Shareholder in respect of whom it is a Transfer Event (**Relevant Shareholder**) and any other Shareholder who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Shareholder(s) (**Deemed Transfer Notice**).
- 23.3 For the purpose of Articles 23.2 and 23.4, any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as included within the Deemed Transfer Notice.
- 23.4 A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.
- 23.5 Notwithstanding any other provision of these Articles, if the Board so resolves in relation to any Shares, any Shareholder holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of members of the company of another person as the holder of those Shares.
- 23.6 The Shares the subject of a Deemed Transfer Notice shall be offered for sale in accordance with Article 22 as if they were Shares in respect of which a Transfer Notice had been given and treating as the Seller the person who is deemed to have given the Deemed Transfer Notice save that:
- 23.6.1 the Proposed Price shall be a price per Sale Share agreed between the Seller and the Board or, in default of agreement within 10 business days after the making of the resolution under Article 23.1 that the same is a Transfer Event, the open market value of each Sale Share (as determined in accordance with Article 22.14) (**the Market Value**);
- 23.6.2 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
- 23.6.3 the Seller may retain any Sale Shares for which Accepting Shareholders are not found;
- 23.6.4 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and
- 23.6.5 Articles 24 and 25 shall not apply.

- 23.7 ~~Once a Deemed Transfer Notice shall under these Articles be deemed to have been served in respect of any Share then no permitted transfer under Article 21 may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period(s) of allocation permitted under Article 22 shall have expired without such allocation.~~

24. RIGHT OF FIRST REFUSAL AND CO-SALE

- 24.1 Except in the case of permitted transfers pursuant to Articles 21, a transfer made pursuant to Article 23, or a transfer to which Article 25 or 26 applies or which is made pursuant to such Articles, where a Shareholder who holds Shares representing more than 1% of the issued Shares (a **Selling Shareholder**) proposes to transfer any Shares (a **Proposed Transfer**), before making or agreeing to make a Proposed Transfer, the Selling Shareholder must give notice in writing to the Board (a **Sale Notice**) specifying:

- 24.1.1 the number of Shares which he wishes to transfer (the **Transfer Shares**);
- 24.1.2 the identity of the proposed transferee (the **Buyer**); and
- 24.1.3 the price at which he wishes to transfer the Sale Shares (the **Transfer Price**); and
- 24.1.4 any other terms or conditions attached to the Proposed Transfer (the **Transfer Terms**).

- 24.2 Following receipt of the Sale Notice, the Board shall forthwith forward the same to the Series A Shareholders. Within ten (10) Business Days of the date that the Sale Notice is so forwarded by the Board (the **Exercise Period**), the Series A Shareholders (acting by an Investor Majority) may elect by notice in writing to the Board to exercise either the right of first refusal set out in Article 24.4 (the **ROFR**) or the co-sale right set out in Article 24.5 (the **Co-Sale Right**) (but not both or one in part and the other in part) in relation to the Proposed Transfer (an **Election Notice**). Where an Investor Majority gives an Election Notice to the Board in accordance with this Article 24.2, the Board shall forthwith forward the same to the Selling Shareholder and each Series A Shareholder and the provisions of Article 24.4 or Article 24.5 (as applicable) shall apply.

- 24.3 If an Investor Majority gives notice in accordance with Article 24.2 that they do not wish to exercise either the ROFR or the Co-Sale Right in relation to the Proposed Transfer, or fails to give any notice in accordance with Article 24.2 before the end of the Exercise Period, the ROFR and the Co-Sale Right shall cease to be exercisable by any Series A Shareholder in relation to the Proposed Transfer and the Selling Shareholder shall comply with the provisions of Article 22 before making or agreeing to make the Proposed Transfer.

24.4 Right of First Refusal

- 24.4.1 Where an Investor Majority elects in accordance with Article 24.2 to exercise the ROFR in relation to a Proposed Transfer:

- (a) the Board shall forthwith following the date of the Election Notice by notice in writing (a **ROFR Notice**) offer the Transfer Shares to the Series A Shareholders on the Transfer Terms for the Transfer Price in accordance with their then existing pro rata holdings of Series A Shares and invite each of the Series A Shareholders to state in writing to the Company within five (5) Business Days of the date of the ROFR Notice (the **ROFR Period**) the number of Transfer Shares in respect of which they wish to accept the offer (which for the avoidance of doubt, shall not exceed their pro rata entitlement in accordance with their existing holdings of Series A Shares) (a **ROFR Exercise Notice**). The Board shall forthwith forward any ROFR Exercise Notice to the Selling Shareholder;
- (b) where at the expiry of the ROFR Period, ROFR Exercise Notices have not been received by the Board in respect of all Transfer Shares, the Board shall forthwith notify the Selling Shareholder of the same and the Selling

Shareholder and the Company shall comply with the provisions of Article 22 before the Selling Shareholder may make or agree to make a transfer of those Transfer Shares in respect of which Exercise Notices have not been received (provided that the Company shall not be required to offer such Transfer Shares pursuant to the provisions of Article 22 to any Series A Shareholder who has not given a ROFR Exercise Notice in accordance with Article 24.4.1(a)); and

- (c) the Selling Shareholder and those Series A Shareholders who have given a ROFR Exercise Notice in accordance with Article 24.4.1(a) (if any) (the **ROFR Purchasers**) shall within 15 Business Days of (i) the end of the ROFR Period; or (ii) if earlier, the date on which the Board has received ROFR Exercise Notices in respect of all of the Transfer Shares (the **ROFR Completion Period**) acting in good faith agree sale and purchase agreement(s) for the acquisition by the ROFR Purchasers of the Transfer Shares from the Selling Shareholder on the Transfer Terms for the Transfer Price (an **Acquisition Agreement**) and the Selling Shareholder must, against payment of the Transfer Price, transfer the Transfer Shares to the relevant ROFR Purchasers in accordance with their ROFR Exercise Notices. For the avoidance of doubt no Acquisition Agreement may require a Selling Shareholder to give warranties or indemnities to a ROFR Purchaser except a warranty as to its capacity to enter into the Acquisition Agreement and the full title guarantee of the relevant Transfer Shares.

24.4.2 If the Selling Shareholder fails to comply with the provisions of Article 24.4.1(c):

- (a) one of the Directors may on behalf of such Selling Shareholder:
 - (i) complete, execute and deliver in the Selling Shareholder's name all documents necessary to give effect to the transfer of the relevant Transfer Shares to the ROFR Purchasers;
 - (ii) receive the Transfer Price for the relevant Transfer Shares and give a good discharge for it; and
 - (iii) upon receipt of the Transfer Price for particular Transfer Shares, enter the relevant ROFR Purchaser in the register of members of the Company as the holder of the relevant Transfer Shares in accordance with their Exercise Notices;
- (b) the Company shall hold the Transfer Price on trust for the Selling Shareholder until he has delivered to the Company its certificate or certificates for the relevant Transfer Shares (or an indemnity for lost certificate in a form reasonably acceptable to the Board).

24.4.3 Where a ROFR Purchaser and the Selling Shareholder acting in good faith fail to conclude an Acquisition Agreement by the end of the ROFR Completion Period, the ROFR shall lapse in respect of the Transfer Shares to which such ROFR Purchaser's ROFR Exercise Notice relate and the Selling Shareholder and the Company shall comply with the provisions of Article 22 before the Selling Shareholder may make or agree to make a Proposed Transfer of such Transfer Shares.

24.4.4 A sale of Transfer Shares to a ROFR Purchaser pursuant to Article 24.4.1(c) shall not be subject to the pre-emption provisions contained in Article 22.

24.5 Co-Sale Right

24.5.1 Where an Investor Majority elects in accordance with Article 24.2 to exercise the Co-Sale Right in relation to a Proposed Transfer, each Series A Shareholder shall be entitled within five (5) Business Days of the date of the Election Notice (the **Co-**

Sale Period) to notify the Selling Shareholder in writing (with a copy to the Board) ~~(a **Co-Sale Notice**) that it wishes to sell a certain number of Shares held by it to~~ the Buyer on the Transfer Terms at the Transfer Price. The maximum number of shares which a Series A Shareholder can sell under this procedure shall be:

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

where:

X is the number of Shares held by the Series A Shareholder;

Y is the total number of Shares (excluding Treasury Shares); and

Z is the number of Shares the Selling Shareholder proposes to sell.

If a Series A Shareholder does not send a Co-Sale Notice in accordance with this Article 24.5.1 by the end of the Co-Sale Period, such Series A Shareholder shall be deemed to have specified that it wishes to sell no Shares to the Buyer.

24.5.2 Following expiry of the Co-Sale Period the Selling Shareholder shall be entitled to sell to the Buyer on the Transfer Terms at the Transfer Price a number of Shares not exceeding the number of Transfer Shares specified in the Sale Notice less any shares which Series A Shareholders have indicated they wish to sell in accordance with Article 24.5.1 (the **Co-Sale Shares**), provided that at the same time the Buyer (or another person) purchases from the relevant Series A Shareholders the Co-Sale Shares on the Transfer Terms at the Transfer Price and otherwise on terms no less favourable than those obtained by the Selling Shareholder from the Buyer.

24.5.3 A sale of Transfer Shares and Co-Sale Shares pursuant to Article 24.5.2 shall not be subject to the pre-emption provisions contained in Article 22, but if no Series A Shareholder sends a Co-Sale Notice accordance with Article 24.5.1, then the Selling Shareholder and the Company shall comply with the provisions of Article 22 (provided that the Company shall not be required to offer the Transfer Shares pursuant to the provisions of Article 22 to any Series A Shareholder) before the Selling Shareholder may make or agree to make the Proposed Transfer.

25. MANDATORY OFFER ON A CHANGE OF CONTROL

25.1 Except in the case of permitted transfers or transfers in respect of which the Drag Along Right applies and is exercised (or which are required pursuant to such exercise), after going through the pre-emption procedure in Article 22, the provisions of Article 25.2 will apply if one or more proposed sellers of Shares (**Proposed Sellers**) propose to transfer in one or a series of related transactions any Shares (the **Controlling Interest Transfer**) which would, if put into effect, result in any Proposed Purchaser (and associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.

25.2 A Proposed Seller must, before making a Controlling Interest Transfer procure the making by the Proposed Purchaser of an offer (the **Offer**) to the other Shareholders to acquire all of the Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 25.7).

25.3 The Offer must be given by written notice (a **Proposed Sale Notice**) at least 10 Business Days (the **Tag Period**) prior to the proposed sale date (**Proposed Sale Date**). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the **Proposed Sale Shares**).

- 25.4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete the sale of the Proposed Sale Shares and the Company will not register any transfer intended to carry that sale into effect.
- 25.5 If the Offer is accepted by any Shareholder (a **Tagging Shareholder**) within the Tag Period, the completion of the Controlling Interest Transfer will be conditional upon the completion of the purchase of all the Shares held by Tagging Shareholders.
- 25.6 The Controlling Interest Transfer is subject to the pre-emption provisions of Article 22 but the purchase of the Tagging Shareholders' shares shall not be subject to Article 22.
- 25.7 For the purpose of this Article:
- 25.7.1 the expression **Specified Price** shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
- (a) in the Controlling Interest Transfer; or
 - (b) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Controlling Interest Transfer,
- plus an amount equal to the Relevant Sum, as defined in Article 25.7.2), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, 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 Shares (the **Supplemental Consideration**) provided that the total consideration paid by the Proposed Purchaser in respect of the Controlling Interest Transfer is distributed to the Proposed Seller and the Tagging Shareholders in accordance with the provisions of Articles 20.5.1 and 20.5.2;
- 25.7.2 $\text{Relevant Sum} = C \div A$
- where:
- A = number of Equity Shares being sold in connection with the relevant Controlling Interest Transfer;
- C = the Supplemental Consideration.

26. DRAG ALONG

- 26.1 Where a Shareholder Special Majority wish to transfer all their interest in Shares to a Proposed Purchaser, such Shareholder Special Majority shall have the right (**Drag Along Right**) to require (in the manner set out in Article 26.2) all of the other holders of Shares (**Other Shareholders**) to sell and transfer their Shares to the Proposed Purchaser with full title guarantee and free from all encumbrances.
- 26.2 The Shareholder Special Majority may exercise the Drag Along Right by giving written notice (or directing the Board to give written notice) to that effect (a **Drag Along Notice**) to the Other Shareholders who shall:
- 26.2.1 become bound to transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct; and
 - 26.2.2 subject to Article 26.3, execute all such documents and do all such acts or things which are necessary to transfer his shares to the Proposed Purchaser in accordance with these Articles and without limitation each of the Other Shareholders shall deliver to the Company, on or before the date set out in the Drag Along Notice, in respect of all Shares to be transferred by him (a) the relevant share certificate(s) (or a

suitable indemnity in lieu thereof); (b) a duly executed sale agreement or form of acceptance-(in a form reasonably acceptable to such Shareholder Special Majority); and (c) a duly executed form of transfer in favour of the Proposed Purchaser (or its nominee) (each a **Drag Document**).

- 26.3 The Drag Along Notice shall specify details of the Proposed Purchaser and describe the overall consideration to be paid by the Proposed Purchaser. The consideration (in cash or otherwise) for which the Other Shareholders shall be obliged to sell each of their Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the Shareholder Special Majority and the Other Shareholders in accordance with the provisions of Article 20.5. No Drag Along Notice may require the Other Shareholders to agree to give warranties or indemnities to the Proposed Purchaser except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Other Shareholder. For the avoidance of doubt the consideration shall not include any right or opportunity offered to a Shareholder to subscribe for or acquire any share, debt instrument or other security in the capital of any member of the Proposed Purchaser's group which is in addition to the consideration set out in such notice.
- 26.4 Each of the Other Shareholders shall, on service of the Drag Along Notice be deemed to have irrevocably appointed each of the Shareholders making up the Shareholder Special Majority and any Director severally to be his agent to execute and deliver (and to authorise any person as he thinks fit to execute and deliver) all such documents and do all such acts or things which are necessary to transfer his Shares to the Proposed Purchaser and to give effect to the provisions of these Articles and the validity of such proceedings may not be questioned. The Company may receive the consideration payable to an Other Shareholder on trust for such Shareholder. The consideration payable by the Proposed Purchaser may, if so approved by a Shareholder Special Majority, in respect of some or all of the Shares and whether or not pro rata include shares, debt instruments or other securities in the capital of the Proposed Purchaser or its group provided that such form of consideration is equivalent in value to the cash consideration which otherwise would be payable.
- 26.5 Save as aforesaid the provisions of this Article 25 shall prevail over any contrary provisions of these Articles including rights of pre-emption and other restrictions which shall not apply on any sale and transfer of Shares to the Proposed Purchaser. Any Transfer Notice or Deemed Transfer Notice served in respect of any Shares shall automatically be revoked by the service of a Drag Along Notice.
- 26.6 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares or pursuant to the conversion of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 26.7 Notwithstanding any other provision in these Articles, in the event of any proposed transfer of Shares to any company (**Newco**) which the Board determines is being made to facilitate a Listing, pursuant to an offer or other arrangement made or to be made by or with Newco to acquire Shares in the Company in exchange for shares in the capital of Newco, on completion of which Newco would become the holding company of the Company (a **Share-for-Share Exchange**), upon Newco receiving acceptances of its offer by the Board, an Investor Majority and the Executive Shareholders, each Shareholder which has not accepted the offer (a **Dissenting Holder**) shall be deemed to have authorised any Director to transfer the Dissenting Holder's Shares to Newco with full title guarantee and free from all encumbrances and to accept the allotment of shares in Newco on completion of the transfer (duly stamped, if appropriate). The Board shall then authorise registration of the transfer of the Shares once appropriate stamp duty has been paid. The Dissenting Holder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. Newco's articles shall be in the form of these Articles, immediately prior to the completion of the Share-for-Share Exchange, subject to any

differences (i) to reflect Newco's name or (ii) that are reasonably required (on the advice of the Company's legal counsel advising on the Listing) for the purposes of the Listing. Newco shall procure that the membership, pro rata shareholdings and classes of shares comprised in it immediately after completion of the transfer of issued share capital of the Company matches that of the Company immediately prior to the transfer of the issued share capital of the Company subject to any adjustment to take place on or immediately prior to a Listing to reflect these Articles.

26.8 The provisions of Article 22 shall not apply to any transfers of Shares pursuant to this Article 26.

27. TRANSMISSION OF SHARES

27.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.

27.2 A transmittee who produces such evidence of entitlement to Shares as the Directors may properly require:

27.2.1 may, subject to these Articles (and in particular Article 22 shall apply to any transfer to another person), choose either to become the holder of those Shares or to have them transferred to another person; and

27.2.2 subject to these Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had,

but transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or Bankruptcy or otherwise, unless they become the holders of those Shares.

28. EXERCISE OF TRANSMITTEES' RIGHTS

28.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

28.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it (and in particular Article 22 shall apply to any transfer to another person).

28.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

29. TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name has been entered in the register of members.

30. PROCEDURE FOR DECLARING DIVIDENDS

30.1 Subject to Article 20.4, the Company may by ordinary resolution and Investor Majority Consent declare dividends, and the Directors may decide to pay interim dividends.

30.2 Subject to Article 20.4.1, a dividend must not be declared unless the Directors (acting with Edison Director Consent) have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

30.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

- 30.4 Subject to Article 20.4.1, unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.
- 30.5 Subject to Article 20.4, the Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 30.6 If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

31. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 31.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
- 31.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the Directors may otherwise decide;
 - 31.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 31.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - 31.1.4 any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the Directors decide.
- 31.2 In these Articles, **distribution recipient** means, in respect of a Share in respect of which a dividend or other sum is payable:
- 31.2.1 the holder of the Share; or
 - 31.2.2 the Share has two or more joint holders, whichever of them is named first in the register of members; or
 - 31.2.3 if the holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the transmittee.

32. NO INTEREST ON DISTRIBUTIONS

- 32.1 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:
- 32.1.1 the terms of which the Share was issued;
 - 32.1.2 the provisions of another agreement between the holder of that Share and the Company; or
 - 32.1.3 in accordance with Article 20.4.1(d).

33. UNCLAIMED DISTRIBUTIONS

- 33.1 All dividends or other sums which are:
- 33.1.1 payable in respect of Shares; and

33.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the company until claimed.

33.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

33.3 If:

33.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

33.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

34. NON-CASH DISTRIBUTIONS

34.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).

34.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

34.2.1 fixing the value of any assets;

34.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

34.2.3 vesting any assets in trustees.

35. WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

35.1 the Share has more than one holder; or

35.2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

CAPITALISATION OF PROFITS

36. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

36.1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution:

36.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend (including the Preference Dividend), or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

36.1.2 appropriate any sum which they so decide to capitalise (**capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (**persons entitled**) and in the same proportions.

36.2 Capitalised sums must be applied:

36.2.1 on behalf of the persons entitled; and

36.2.2 in the same proportions as a dividend would have been distributed to them.

36.3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

36.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

36.5 Subject to these Articles the Directors may:

36.5.1 apply capitalised sums in accordance with Articles 36.3 and 36.4 partly in one way and partly in another;

36.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and

36.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

36.6 Purchase of Own Shares by the Company

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:

36.6.1 £15,000; and

36.6.2 the value of 5% of the Company's share capital.

PART 4

DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS

37. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

37.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

37.2 A person is able to exercise the right to vote at a general meeting when:

37.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

37.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

37.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

37.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

37.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

38. QUORUM FOR GENERAL MEETINGS

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The quorum shall be three members present in person or by proxy, including an Investor Majority and excludes any Treasury Shares and any resolution agreed to shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

39. CHAIRING GENERAL MEETINGS

39.1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

39.2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start:

39.2.1 the directors present; or

39.2.2 (if no directors are present), the meeting, must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

39.3 The person chairing a meeting in accordance with this Article 39 is referred to as the **chairman of the meeting**.

40. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

40.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

40.2 The chairman of the meeting may permit other persons who are not:

40.2.1 Shareholders of the Company; or

40.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings

to attend and speak at a general meeting.

41. ADJOURNMENT

41.1 If the persons attending a general meeting, within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

41.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

41.2.1 the meeting consents to an adjournment; or

41.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 41.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 41.4 When adjourning a general meeting, the chairman of the meeting must:
- 41.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - 41.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 41.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 41.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 41.5.2 containing the same information which such notice is required to contain.
- 41.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

42. VOTING: GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

43. ERRORS AND DISPUTES

- 43.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 43.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

44. POLL VOTES

- 44.1 A poll on a resolution may be demanded:
- 44.1.1 in advance of the general meeting where it is to be put to the vote; or
 - 44.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 44.2 A poll may be demanded by:
- 44.2.1 the chairman of the meeting;
 - 44.2.2 the Directors;
 - 44.2.3 two or more persons having the right to vote on the resolution; or
 - 44.2.4 a person or persons representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.
- 44.3 A demand for a poll may be withdrawn if:
- 44.3.1 the poll has not yet been taken; and

44.3.2 the chairman of the meeting consents to the withdrawal.

44.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

44.5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded.

44.6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven (7) days' notice must be given specifying the time and place at which the poll is to be taken.

45. CONTENT OF PROXY NOTICES

45.1 Proxies may only validly be appointed by a notice in writing (**proxy notice**) which:

45.1.1 states the name and address of the Shareholder appointing the proxy;

45.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

45.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

45.1.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.

45.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

45.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

45.4 Unless a proxy notice indicates otherwise, it must be treated as:

45.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

45.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

46. DELIVERY OF PROXY NOTICES

46.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

46.2 An appointment under a proxy notice must be made to such address and by such time as the Company may specify and any such appointment may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

46.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

46.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

47. AMENDMENTS TO RESOLUTIONS

- 47.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 47.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
 - 47.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 47.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 47.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 47.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 47.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution .

PART 5

ADMINISTRATIVE ARRANGEMENTS

48. MEANS OF COMMUNICATION TO BE USED

- 48.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 48.2 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 48.3 A Director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 48.4 The Company shall not be obliged to accept any notice, document or other information sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the Directors think fit, and the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead.
- 48.5 In the case of joint holders of a Share, except insofar as these Articles otherwise provide, all notices, documents or other information shall be given to the joint holder whose name stands first in the Register of Members in respect of the joint holding and shall be deemed to have been given to all the joint holders. For all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any one of such joint holders shall be deemed to be and shall be accepted as execution by all the joint holders.

- 48.6 In the case of a member that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any director or the secretary of that corporation or any other person who appears to any officer of the company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation.

49. WHEN INFORMATION DEEMED TO HAVE BEEN RECEIVED

- 49.1 Any document or information sent or supplied by the Company or a member shall be deemed to have been received by the intended recipient:

- 49.1.1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 49.1.2 where the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 49.1.3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was sent;
- 49.1.4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent;
- 49.1.5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available.

50. COMPANY SEALS

- 50.1 Any common seal may only be used by the authority of the Directors.
- 50.2 The Directors may decide by what means and in what form any common seal is to be used.
- 50.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 50.4 For the purposes of this Article 49, an **authorised person** is:
- 50.4.1 any Director or the Company secretary (if any); or
 - 50.4.2 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

51. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

DIRECTORS' INDEMNITY AND INSURANCE

52. INDEMNITY

52.1 Subject to Article 52.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:

52.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

52.1.2 any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and

52.1.3 any other liability incurred by that Director as an officer of the Company or an associated company.

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

52.3 In this Article:

52.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

52.3.2 a relevant director means any Director or former director of the Company or an associated company.

53. INSURANCE

53.1 The Directors may purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.

53.2 In this Article:

53.2.1 a **relevant director** means any Director or former director of the Company or an associated company;

53.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant director in connection with that Director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

53.2.3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate.