

Company number: 06956646

PRIVATE COMPANY LIMITED BY SHARES

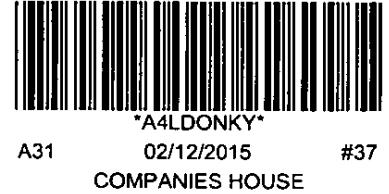
WRITTEN RESOLUTIONS

of

TWIGKIT LIMITED (Company)

Circulation Date: **5 NOV** 2015

WEDNESDAY



Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolutions 1 and 2 below are passed as special resolutions:

1. That the 1,000 issued A Ordinary Shares of £1 each registered in the names of Mr Olafsson, Mr Holm and Mr Gilligan be and are hereby converted into, re-designated as and sub divided into 100,000 A Ordinary Shares of £0.01 each; and the 587 B Ordinary Shares held by Socrates Technology Limited be and are hereby converted into, re-designated as 58,700 B Ordinary Shares of £0.01 each
2. That the regulations contained in the document annexed hereto and initialled by a director for the purposes of identification only be and are hereby adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, a person entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions

S Olafsson

Date **5 NOV** 2015

B Holm

Date **5 NOV** 2015

J Gilligan

Date **5 NOV** 2015

Director, Socrates Technology Limited

Date **5 NOV** 2015

15-12-15 141

NOTES

- 1 You can choose to agree to all of the Resolutions or none of them but cannot agree to only one or more of them without agreeing to them all. If you agree with all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to the Directors, 20 Station Road, Cambridge, CB1 2JD
- **Post:** returning the signed copy by post to the Directors at the address referred to above

If you do not agree to the Resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.

- 2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
- 3 Unless, by the date falling 28 days after the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
TWIGKIT LIMITED**



SPE *S4LF6EDF* #169
02/12/2015
COMPANIES HOUSE

Introduction

1 Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles

Act: means the Companies Act 2006

Acting in Concert has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time)

A Ordinary Shares: means the A Ordinary Shares of £0.01 each in the Company

A Ordinary Shareholders: means the holders of the A Ordinary Shares, from time to time

Appointor: has the meaning given in Article 11.1

Articles: means the company's Articles of Association for the time being in force

B Ordinary Shares: means the B Ordinary Shares of £0.01 each in the Company

B Ordinary Shareholders: means the holders of the B Ordinary Shares, from time to time

B Preferred Shares: means the B Preferred Shares of £1 each in the Company

B Preferred Shareholders: means holders of the B Preferred Shares from time to time

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business

C Ordinary Shares: means the C Ordinary Shares of £0.01 each in the Company

C Ordinary Shareholders: mean holders of the C Ordinary Shares, from time to time

C Preferred Shares: means the redeemable convertible C Preferred Shares of £1 each in the Company

C Preferred Shareholders: means holders of the C Preferred Shares from time to time

Claim: has the meaning set out in Clause 10 of the Shareholders Agreement.

Conflict. has the meaning given in Article 6 1

Continuing Shareholders. has the meaning given in Article 15 5 and Continuing Shareholder means any of them

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 Corporation Tax Act 2010

Departing Employee Shareholder: an Employee Shareholder who ceases to be an employee or director of the company

Eligible director means a director who would be 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)

Employee Shareholder: a Shareholder who is an employee or director of the company

Exit: means a Sale, Flotation, asset sale or winding up of the Company

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

Flotation: shall mean the admission of all or any of the shares or securities representing those shares to or the grant of permission by any like authority for the same to be traded or quoted on the Official List of the United Kingdom Listing Authority or on the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000)

Model Articles: means the model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (S/ 2008/3229)

Ordinary Shares means the A, B and C Ordinary Shares

Permitted Transfer a transfer of Shares made in accordance with Article 19

Permitted Transferee in relation to a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust

Preferred Shares means the Preferred Shares of £1 each in the capital of the Company

Preferred Shareholders means the holders of the Preferred Shares

Privileged Relation in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue)

Sale: means the sale of the entire issued share capital of the Company

Sale Price: means the Proposed Sale Price or the price per Sale Share determined in accordance with Article 18

Service Agreement: has the meaning set out in the Shareholders Agreement

Shareholders Agreement: means the agreement of the date of adoption of the Articles between (1) Hjortur Stefan Olafsson (2) Bjarki Holm (3) John Gilligan (4) Socrates Technology Limited and (5) Twigkit Limited

Threshold Return: means £3 million (three million pounds)

Valuers: means an independent firm of accountants appointed by the Seller and by the Continuing Shareholders or, in the absence of agreement between them on the identity of the expert within ten Business Days of the expiry of the ten Business Day period following service of a Price Notice, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator)

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1.4 A reference in these Articles to an "article" is a reference to the relevant Article of these Articles unless expressly provided otherwise
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision
- 1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them
- 1.9 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles
- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company

- 1.11** Article 7 of the Model Articles shall be amended by
 - 1.11.1** the insertion of the words "for the time being" at the end of Article 7(2)(a), and
 - 1.11.2** the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1.12** Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"
- 1.13** In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1.14** Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to Article 10," after the word "But"
- 1.15** Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 28(2) of the Model Articles," after the words "the transmittee's name"
- 1.16** Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

Directors

2 Unanimous decisions

- 2.1** A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2.2** Such a decision 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
- 2.3** A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting

3 Calling a directors' meeting

- 3.1** Any director may call a directors' meeting by giving not less than five Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice
- 3.2** Notice of a directors' meeting shall be given to each director in writing

4 Quorum for directors' meetings

- 4.1** Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any four eligible directors, save that if a quorum is not present within 30 minutes of the time allotted for the opening of a meeting, the meeting will be adjourned to the same time and place five Business Days later, where the quorum shall be two eligible directors
- 4.2** For the purposes of any meeting (or part of a meeting) held pursuant to Article 6 to authorise a director's conflict, if there is less than the quorum of eligible directors in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be that number of eligible directors
- 4.3** If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
 - 4.3.1** to appoint further directors, or
 - 4.3.2** to call a general meeting so as to enable the shareholders to appoint further directors

5 Transactions or other arrangements with the company

- 5.1** Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company
 - 5.1.1** may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
 - 5.1.2** shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
 - 5.1.3** shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
 - 5.1.4** may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
 - 5.1.5** may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
 - 5.1.6** shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such

body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

6 Directors' conflicts of interest

- 6.1** The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)
- 6.2** Any authorisation under this Article 6 will be effective only if
- 6.2.1** 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,
 - 6.2.2** any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
 - 6.2.3** the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted
- 6.3** Any authorisation of a Conflict under this Article 6 may (whether at the time of giving the authorisation or subsequently)
- 6.3.1** extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - 6.3.2** 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,
 - 6.3.3** 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,
 - 6.3.4** impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
 - 6.3.5** 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
 - 6.3.6** 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

- 6.4** Where the directors authorise a Conflict, 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
- 6.5** 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
- 6.6** A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

7 Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

8 Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two

9 Appointment of directors

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

10 Appointment and removal of alternate directors

- 10.1** Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- 10.1 1** exercise that director's powers, and

- 10.1 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

- 10.2** Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors

- 10.3** The notice must

- 10.3.1** identify the proposed alternate, and

- 10.3.2 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

11 Rights and responsibilities of alternate directors

- 11.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor
- 11.2 Except as the Articles specify otherwise, alternate directors
 - 11.2.1 are deemed for all purposes to be directors,
 - 11.2.2 are liable for their own acts and omissions,
 - 11.2.3 are subject to the same restrictions as their appointors, and
 - 11.2.4 are not deemed to be agents of or for their appointorsand, 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
- 11.3 A person who is an alternate director but not a director
 - 11.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
 - 11.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
 - 11.3.3 shall not be counted as more than one director for the purposes of Articles 11.3.1 and 11.3.2
- 11.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present
- 11.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be 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

12 Termination of alternate directorship

- 12.1 An alternate director's appointment as an alternate terminates
 - 12.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,

12.1.2 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,

12.1.3 on the death of the alternate's appointor, or

12.1.4 when the alternate's appointor's appointment as a director terminates

13 Secretary

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

Shares

14 Shares

14.1 The share capital of the Company shall be divided into A Ordinary Shares, B Ordinary Shares, Preferred Shares, B Preferred Shares, C Ordinary Shares and C Preferred Shares having the rights set out herein

14.2 The shares in the capital of the Company shall rank *pari passu* in all respects save as follows

14.2.1 Voting

- (i) The holders of the A Ordinary Shares and B Ordinary Shares may attend and vote at any general meeting of the members of the Company and agree to a proposed written resolution. Each A Ordinary Share and B Ordinary Share carries one vote
- (ii) The holders of the C Ordinary Shares, the B Preferred Shares, the C Preferred Shares and the Preferred Shares may not attend meetings of the members of the Company or vote at any general meeting of the members of the Company or agree to a proposed written resolution

14.2.2 Income:

- (i) No dividends shall be paid to the holders of the B Preferred Shares or the C Preferred Shares or the Preferred Shares
- (ii) The A and B Ordinary Shares shall rank *pari passu* in relation to the declaration of any dividends
- (iii) Subject to the provisions of the Act and Article 14.2.2(ii) above, the Company may by ordinary resolution declare dividends to the holders of the A Ordinary Shares and the B Ordinary Shares and/or the C Ordinary Shares, but no dividend in respect of any such designated

class of shares shall exceed the amount recommended by the Directors

- (iii) Subject to the provisions of Article 14.2.2(ii) above, the Directors shall have an absolute discretion to recommend and to pay a dividend to holders of the A Ordinary Shares and the B Ordinary Shares, and/or the C Ordinary Shares
- (iv) The Company may declare a dividend on the A Ordinary Shares and B Shares and on the C Ordinary Shares in the same or different amounts, or just to the holders of the A and B Ordinary Shares or just to the holders of the C Ordinary Shares

14.2.3 Capital

- (i) On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any shares), the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority
 - (i) first, in paying to the holders of the B Preferred Shares and Preferred Shares an amount equal to the value provided in the Shareholders' Agreement and the holders of the C Preferred Shares an amount equal to £59 per share if such payment is made prior to 31 December 2016 and £119 per share after that date
 - (ii) second, the balance of such assets (if any) shall be distributed amongst the holders for the time being of the A Ordinary Shares and the B Ordinary Shares as if these constituted one class of share, until the total paid out under this Article 14.2.3 (i) and (ii) equals the Threshold Amount
 - (iii) third, the balance of such assets (if any) shall be distributed amongst the holders for the time being of the A Ordinary Shares and the B Ordinary Shares and the C Ordinary Shares as if these constituted one class of share

14.2.4 Conversion

- (i) The C Preferred Shares shall be converted into A Ordinary Shares in accordance with an agreement between the Company and the holder of the C Preferred Shares dated 1 November 2015

14.2.5 Redemption

- (i) Subject to Article 14.2.4, the C Preferred Shares may, subject to the provisions of the Act, be redeemed by the Company at any time

- (ii) Where C Preferred Shares are to be redeemed, the Company shall give to the holders of the C Preferred Shares falling to be redeemed prior notice in writing of the redemption (Company Redemption Notice) The Company Redemption Notice shall specify the number of the C Preferred Shares to be redeemed and the date fixed for redemption and shall be given not less than twenty (20) nor more than twenty eight (28) Business Days prior to the date fixed for redemption
- (iii) The provisions of this Article shall be subject always to the Company having, in the Directors' opinion, sufficient cash to redeem the C Preferred Shares which are subject to the Company Redemption Notice
- (iv) On the date fixed for redemption, each of the holders of the C Preferred Shares falling to be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such C Preferred Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies
- (v) There shall be paid on the redemption of each C Preferred Share an amount equal to £59 per share if such payment is made prior to 31 December 2016 and £119 per share after that date and such amount shall, subject to the Company having other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such C Preferred Shares
- (vi) Notwithstanding any other provisions of this Article, the directors may, at their discretion, elect that the Company redeem some only of the C Preferred Shares at any time by notice in writing to all holders of C Preferred Shares (subject only to the Company having sufficient monies which may be lawfully applied for such redemption)

15 Transfer of Shares

15.1 This Article is subject to Article 19 (Permitted Transfers)

15.2 No A Ordinary Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company, except with the prior written consent of the B Shareholders, during the 2 years following adoption of these Articles

15.3 No B Ordinary Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company, except with the prior written consent of the A Shareholders, during the 2 years following adoption of these Articles

- 15.4** The B Preferred Shares, C Preferred Shares and Preferred Shares are not transferable save on an Exit
- 15.5** Excluding transfers arising under Articles 19, 20 and 21 or Articles 15 1, 15 2 and 15 3, a Shareholder (**Seller**) wishing to transfer Ordinary Shares in the capital of the Company (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other parties who hold Ordinary Shares excluding any Shareholder whose shares are, at the date of the Transfer Notice, the subject of a deemed Transfer Notice under Article 16 1 (**Continuing Shareholders**) specifying the details of the proposed transfer, including the identity of the proposed buyer(s), the proposed price for each Sale Share (**Proposed Sale Price**) and each Continuing Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of Ordinary Shares held by him bears to the total number of Ordinary Shares held by the Continuing Shareholders (in respect of each Continuing Shareholder, his **Entitlement**)
- 15.6** If there is a deemed Transfer Notice under Article 16, the Continuing Shareholders shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with Article 18
- 15.7** Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice or, if later, within 20 Business Days of receipt of the Valuers' determination of the Fair Value a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase his Entitlement to the Sale Shares at the Sale Price. A Continuing Shareholder may, in his Acceptance, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**). No Continuing Shareholder shall be entitled to purchase less than his Entitlement to Sale Shares
- 15.8** If, on the expiry of the relevant 20 Business Day period referred to in Article 15 7, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Shareholder shall be allocated his Entitlement and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares of the same class held by such Continuing Shareholders
- 15.9** Any Shares not taken up under the provisions of Article 15 7 to 15 9 above ("the first pre-emption") shall, subject to the Act, be offered to the Company at the same price per share ("the second pre-emption"). The Company shall within 28 days of its receipt of the second pre-emption notice give notice to the Seller in writing either (i) exercising its option to purchase some or all of such shares or (ii) confirming that it does not wish to exercise its option to purchase such shares. Any failure by the Company to provide such notice shall result in the Company being deemed to have failed to exercise its option in respect of such shares
- 15.10** Any Shares not taken up under the first and second pre-emptions may, at the discretion of the Board, be offered at the same price to other employees of the Company ("the third pre-emption") who shall, within 28 days, confirm in writing whether they wish to acquire such shares and how many they wish to acquire,

15.11 Completion of those Sale Shares accepted by Continuing Shareholders under this article 15 7 shall take place in accordance with Article 17

15.12 If, on the expiry of all the pre-emption periods, the total number of Sale Shares applied for is less than the available number of Sale Shares, the Seller shall be entitled to sell such remaining shares to the third party identified in the Transfer Notice within 90 days at a price no lower than the Proposed Sale Price

15.13 The reasonable cost of such valuation of Sale Shares as identified in the Transfer Notice under Article 15 5 shall be borne by the Company unless a further valuation is required within 12 months of such valuation. The cost of any valuation if requested, within such period shall be borne by the exiting shareholder

16 Events of Default

16.1 A Shareholder is deemed to have served a Transfer Notice under Article 15 5

16 1 1 immediately before a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or

16 1 2 if he is in material breach of the Shareholders Agreement and fails to remedy such breach within 30 days, or

16 1 3 if he is a Founder, and he terminates his Service Agreement with Twigit Limited prior to 31 December 2016

16 1 4 If a holder of C Ordinary Shares becomes a Departing Employee Shareholder he shall be deemed to have given a Sale Notice in respect of all his C Ordinary Shares in the Company, together with any Shares he may have transferred to another person in accordance with the provisions of Article 19, and the provisions of Articles 15 5 to 15 11 shall apply, save that the price he shall receive for his shares shall be the higher of par and the original price paid for those Shares

16.2 The deemed Transfer Notice has the same effect as a Transfer Notice, except that

16 2 1 the deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the Sale Price shall, except for a transfer within Article 16 1 4 above, be the Fair Value of those shares as on the date of occurrence of events mentioned under Article 16 1, determined by the Valuers in accordance with Article 18

16 2 2 the Seller does not have a right to withdraw the Transfer Notice following a valuation

17 Completion of Share Purchase

17.1 Completion of the sale and purchase of shares under Article 15 and Article 16 of this Agreement shall take place five Business Days after

- 17.1.1 the expiry of the period in clause 15.7 or on confirmation that all the Sale Shares are to be purchased by the Continuing Shareholders if earlier

17.2 At such completion

- 17.2.1 the Seller shall deliver, or procure that there is delivered to each Continuing Shareholder who is to purchase Sale Shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Continuing Shareholders or the Company may reasonably require to show good title to the shares, or to enable him to be registered as the holder of the shares
- 17.2.2 each relevant Continuing Shareholder shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between a Continuing Shareholder and the Seller), and
- 17.2.3 if, following a sale of shares in accordance with this Agreement, the Seller holds no further shares in the Company

- (i) the Seller shall deliver, or procure that there are delivered to the Company, his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares, and
- (ii) the Seller shall automatically cease to be a party to the Shareholders Agreement, but without prejudice to any rights or obligations of the Seller which accrued before such cessation including in respect of any prior breach of the Shareholders Agreement

- 17.3** Any transfer of shares by way of a sale Article 15 and 16 shall be deemed to include a warranty that the Seller sells the shares with full title guarantee

- 17.4** If any Continuing Shareholder fails to pay the Sale Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to 4% per annum above the base rate of National Westminster Bank plc from time to time

- 17.5** Each of the Continuing Shareholders shall use his reasonable endeavours to procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration (subject to due stamping by the Continuing Shareholders) of the transfers of the Sale Shares under this Article 17 and each of them consents to such transfers and registrations

18 Fair Value

18.1 The **Fair Value** for any Sale Share shall be the price per Share of the specific class or classes contained in the Transfer Notice, determined in writing by the Valuers on the following bases and assumptions

- 18.1.1 valuing each of the Sale Shares as a proportion of the total value of all the issued Shares of that class, taking into account the capital rights of that class as set out in Article 14 2 3, based on a calculation of the total value of the Company, without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent,
- 18.1.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 18.1.3 the sale is to be on arms' length terms between a willing seller and a willing buyer,
- 18.1.4 the shares are sold free of all restrictions, liens, charges and other encumbrances, and
- 18.1.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value

19 Permitted Transfers

19.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee and the provisions of Articles 15, 16, 19 and 20 shall not apply to such transfers

19.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

- 19.2.1 the Original Shareholder,
- 19.2.2 any Privileged Relation(s) of the Original Shareholder;
- 19.2.3 subject to Article 19 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
- 19.2.4 subject to Article 19 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

19.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied

- 19.3.1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
- 19.3.2 with the identity of the proposed trustee(s),
- 19.3.3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- 19.3.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

19.4 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

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

19.4.2 give a Transfer Notice to the Company in accordance with Article 15,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 19

19.5 Notwithstanding any other provision of this Article 19, a transfer of any Shares approved by the Directors (acting with consent of the Investor) may be made without any price or other restriction and any such transfer shall be registered by the Directors

20 Drag Along

20.1 If 75% of the holders of the A and B Ordinary Shares (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms or a new holding company established to facilitate a refinancing or solvent reorganisation (**Proposed Buyer**), the Selling Shareholders may require the holders of the Ordinary Shares, the B Preferred Shares, the C Preferred Shares and Preferred Shares (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**)

20.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify

20.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 19.1,

20.2.2 the person to whom the Called Shares are to be transferred,

20.2.3 the consideration payable in aggregate for the Sellers' Shares and the Called Shares, and

20.2.4 the proposed date of the transfer

20.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

20.4 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless

20.4.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or

20.4.2 that date is less than five Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the fifth Business Day after service of the Drag Along Notice

20.5 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. The consideration for the Called Shares and the Sellers' Shares shall be paid into or held in escrow by the Company or as the Company shall direct and shall be distributed in accordance with the provisions of Article 14.3

20.6 To the extent that the Proposed Buyer has not, on the Completion Date, paid the consideration, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 20 in respect of their Shares

20.7 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 20.5 transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 20

20.8 The price payable to the holders of the Called Shares shall be based on the price to be paid for the A and B Ordinary Shares offered by the Proposed Buyer and the capital rights of the various classes of Shares as set out in Article 14.2.3. This price shall be paid on the same terms as offered to the Selling Shareholders and may therefore be paid in cash or loan notes or shares in the Proposed Buyer or other forms of consideration, or any combination of these, and include deferred or contingent payments

21 Tag along

21.1 The provisions of Article 21.2 to Article 21.5 shall apply if, one or more Ordinary Shareholder propose to transfer any of their Shares (**Proposed Transfer**) to a third party (**Buyer**)

- 21.2** Before making a Proposed Transfer, a Shareholder shall procure that the Buyer makes an offer (**Offer**) to the other shareholders to purchase the same proportion of the Shares held by them as the proportion of Shares sold by the Proposed Transferor for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 3 months preceding the date of the Proposed Transfer (**Specified Price**)
- 21.3** The Offer shall be made by written notice (**Offer Notice**), at least 20 Business Days before the proposed sale date (**Sale Date**) To the extent not described in any accompanying documents, the Offer Notice shall set out
- 21.3.1** the identity of the Buyer,
 - 21.3.2** the Specified Price and other terms and conditions of payment, taking into account the capital rights of the respective classes of Share as set out in Article 14 2 3,
 - 21.3.3** the Sale Date, and
 - 21.3.4** the number of Shares proposed to be purchased by the Buyer (**Offer Shares**)
- 21.4** If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 21 2 and Article 21 3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer
- 21.5** If the Offer is accepted by any shareholder (**Accepting Shareholder**) in writing within 20 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders

22 Purchase of own shares

- 22.1** 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.

Decision making by shareholders

23 Poll votes

- 23.1** A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 23.2** Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article

24 Proxies

- 24.1** Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 24.2** Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

Administrative arrangements

25 Means of communication to be used

- 25.1** Subject to Article 25.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient
- 25.1.1** if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or
- 25.1.2** if sent by fax, at the time of transmission, or
- 25.1.3** if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting, or
- 25.1.4** if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting, or
- 25.1.5** if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or
- 25.1.6** if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied, or
- 25.1.7** if sent or supplied by means of a website, 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
- 25.1.8** if deemed receipt under the previous paragraphs of this Article 25.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt
- 25.2** To prove service, it is sufficient to prove that

- 25.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address, or
- 25.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number, or
- 25.2.3 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted, or
- 25.2.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

26 Indemnity

26.1 Subject to Article 26 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

26.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
- (b) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

26.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 26 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

26.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

26.3 In this Article

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

26.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined

by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

27 Insurance

27.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

27.2 In this Article

27.2.1 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) , but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

27.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer'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

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