

**Company Number: 07203090**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**AMIDO LTD**

(Adopted by a special resolution passed on 14 December 2021)

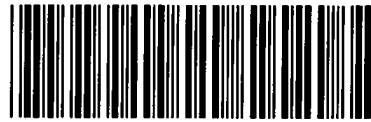
**INTRODUCTION**

**1. Interpretation**

~~1.1. In these Articles, unless the context otherwise requires:~~

<b>Act:</b>	the Companies Act 2006;
<b>Acting in Concert:</b>	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);
<b>Articles:</b>	the Company's articles of association for the time being in force;
<b>Connected:</b>	in relation to a person, has the meaning contained in section 1122 of The Corporation Tax Act 2010;
<b>Bad Leaver:</b>	has the meaning given in Article 17.4;
<b>Business Day:</b>	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
<b>Company:</b>	Amido Ltd (Company Number 07203090);
<b>Conflict:</b>	Has the meaning given in Article 7.1;
<b>Controlling Interest:</b>	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;
<b>Director:</b>	means a director of the Company from time to time and <b>Directors</b> shall be construed accordingly;
<b>Eligible Director:</b>	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);
<b>Expert:</b>	an independent firm of accountants appointed by the Seller or Transferor (as the case may be) and the board of Directors or, in the absence of agreement between them on the expert or his terms of appointment within 10 Business Days, an independent firm of accountants appointed, and whose terms of appointment

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are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (acting as an expert and not as an arbitrator) upon the application to the said President by either party;

**Fair Value:** in relation to shares, as determined in accordance with Article 16.2;

**Good Leaver:** has the meaning given in Article 17.4;

**Group:** the Company and its Subsidiaries (whether direct or indirect) (if any) from time to time and Group Company shall be construed accordingly;

**Interested Director:** has the meaning given in Article 7.1;

**Investor Shareholder:** a shareholder who holds 3% or less of the total issued share capital of the Company as at the date of the adoption of these Articles and who is also not a director (or former director) or employee (or former employee) of the Company;

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**Minimum Transfer Condition:** has the meaning given in Article 16.2;

**Model Articles:** the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

**Seller:** has the meaning given in Article 16.2;

**Shareholder Majority:** the shareholders or shareholder holding, together, 70% or more of the issued shares in the capital of the Company;

**Shares:** shares (of any class) in the capital of the Company and **Share** shall be construed accordingly;

**Subsidiary:** in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Act and any other company which is a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company (whether direct or indirect in each case). Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

**Transfer Notice:** an irrevocable notice in writing given by any shareholder to the Company where the shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares. Where such notice is deemed to have been served it shall be referred to as a **Deemed Transfer Notice**;

**Transfer Price:** has the meaning given to it in Article 16.13; and

**Writing or written:** 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. 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, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - 1.5.1 any subordinate legislation from time to time made under it; and
  - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6. Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7. The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.8. Articles 8, 9(1) and (3), 11(2) and (3), 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 1.9. Article 7 of the Model Articles shall be amended by:
  - 1.9.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
  - 1.9.2 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".
- 1.10. 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".
- 1.11. 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".
- 1.12. Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.13. 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)," after the words "the transmittee's name".
- 1.14. Articles 31(1)(a) to (d) (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".

## **DIRECTORS**

2. **Decisions of Directors**

- 2.1. Any decision of the Directors taken at a meeting of Directors must be taken in accordance with these Articles. All decisions made at a meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or any committee of the Directors) shall be decided by a majority of votes. Save as otherwise provided in these Articles each Director shall have one vote.
- 2.2. A unanimous decision of the Directors is taken in accordance with this Article 2 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 2.3. A decision taken in accordance with Article 2.2 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.
- 2.4. A decision may not be taken in accordance with Article 2.1 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 ten Business Days' notice of the meeting (or such lesser notice as a majority of 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. The quorum for the transaction of business at a meeting of Directors is any two Eligible Directors.
- 4.2. If a quorum is not present within 60 minutes after the time specified for a meeting of the Directors in the notice of meeting then it shall be adjourned and reconvened 10 Business Days later at the same place and time.
- 4.3. For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a Director's Conflict, if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.4. 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:
  - 4.4.1. to appoint further directors; or
  - 4.4.2. to call a general meeting so as to enable the shareholders to appoint further directors; or
  - 4.4.3. to amend the quorum provisions in these Articles.

**5. Casting Vote and Chairman**

- 5.1. If the numbers of votes for and against a proposal at a meeting of Directors are equal, the Chairman shall have a casting vote. For the avoidance of doubt, the Chairman shall be such person (if any) as is stipulated in Article 5.2 and shall not include any other person who may be chairing a meeting of the Directors (who shall not have a casting vote).
- 5.2. The Chairman of the board of Directors shall be such Director as may be appointed by the Shareholder Majority by notice in writing to the Company.

**6. Transactions or Other Arrangements with The Company**

6.1. 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:

- 6.1.1. 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;
- 6.1.2. shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 6.1.3. 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 contract or proposed contract in which he is interested;
- 6.1.4. 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;
- 6.1.5. 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
- 6.1.6. 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 contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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.

## 7. **Directors' Conflicts of Interest**

7.1. 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**).

7.2. Any authorisation under this Article 7 will be effective only if:

- 7.2.1. 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;
- 7.2.2. any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- 7.2.3. 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.

7.3. Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):

7.3.1. extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

7.3.2. 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;

7.3.3. 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;

7.3.4. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

7.3.5. 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

7.3.6. 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.

7.4. 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.

7.5. 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.

7.6. 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.

## **8. Records of Decisions to Be Kept**

8.1. 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.

## **9. Number of Directors**

9.1. 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.

## **10. Appointment and Removal of Directors**

10.1. 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:

10.1.1. by ordinary resolution; or

10.1.2. by a decision of the Directors.

10.2. 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 anatural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director.

**11. Secretary**

11.1. 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.

**DECISION MAKING BY SHAREHOLDERS**

**12. General Meetings**

12.1. No business is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on. The quorum for the transaction of business at a meeting of the shareholders shall be three. ~~If a quorum is not present within 60 minutes after the time specified for a general meeting in the notice of meeting then it shall be adjourned and reconvened 10 Business Days later at the same place and time. If at the reconvened meeting a quorum is not present then those shareholders present shall constitute a quorum~~

**13. Voting**

13.1. Subject to any other provision of these Articles concerning voting rights, each share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

13.2. 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.

13.3. 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.

**14. Proxies**

14.1. 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".

14.2. 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.

**SHARES**

**15. Transfers of Shares: General**

15.1. In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or

encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

- 15.2. No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 15.3. Notwithstanding any other provision of these Articles a transfer of any Shares approved by the unanimous decision of all Shareholders may be made without any price or other restriction and any such transfer shall be registered by the Directors.
- 15.4. If a shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 15.5. Any transfer of a Share by way of sale which is required to be made under Article 17 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 15.6. To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:
  - 15.6.1. any holder (or the legal representatives of a deceased holder); or
  - 15.6.2. any person named as a transferee in a transfer lodged for registration; or
  - 15.6.3. such other person as the Directors may reasonably believe to have information relevant to that purpose,to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 15.7. If any such information or evidence referred to in Article 15.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 15 Business Days of receipt of such written notice:
  - 15.7.1. the relevant Shares shall cease to confer on the holder of them any rights:
    - 15.7.1.1. to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
    - 15.7.1.2. to receive dividends or other distributions otherwise attaching to those Shares.
    - 15.7.1.3. the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may reinstate the rights referred to in Article 15.7.1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 15.7.2 on completion of such transfer.



15.8. Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

15.8.1. it does not contain a Minimum Transfer Condition; and

15.8.2. the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

15.9. Any Transfer Notice (but not a Drag Along Notice as defined in Article 18) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

**16. Pre-emption Rights on The Transfer of Shares**

16.1. Subject to Articles 15.3, 18 and 19, any transfer of Shares shall be subject to the pre-emption rights in this Article 16.

16.2. Save for a transfer required by Article 17 or 18, a holder of Shares who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:

16.2.1. subject to Article 15.8.2, the number of Shares he wishes to transfer (**Sale Shares**);

16.2.2. the identity of any person to whom the Seller wishes to transfer the Sale Shares (**Proposed Transferee**); and

16.2.3. subject to Article 15.8.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).

16.3. Except in the case of a Deemed Transfer Notice (which may not be withdrawn) the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with consent of all shareholders.

16.4. A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

16.5. As soon as practicable following the later of:

16.5.1. receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

16.5.2. the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 16.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 16 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

16.6. The Company shall offer the Sale Shares to each of the holders of Shares (other than the Seller) which offer shall remain open for acceptance for a period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with Article 16.7 and Article 16.8.

16.7. The offer referred to in Article 16.6 shall invite the Shareholders (other than the Seller) to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.

16.8. If:

16.8.1. at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

16.8.2. at the end of the First Offer Period the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the shareholders in accordance with their applications and the Company may, within 15 Business Days after the end of the First Offer Period, notify the Seller and all other Shareholders that the Company shall purchase all or some of the unallocated Sale Shares pursuant to the provisions of Part 18 of the Act, in which case the Directors shall determine a timetable for the purchase and payment terms to which all parties shall adhere.

16.9. Where the Transfer Notice contains a Minimum Transfer Condition:

16.9.1. any allocation made under Article 16.6 to Article 16.8 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and

16.9.2. if the total number of Sale Shares applied for under Article 16.6 to Article 16.8 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

16.10. Where either:

16.10.1. the Transfer Notice does not contain a Minimum Transfer Condition; or

16.10.2. allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Article 16.6 to Article 16.8 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each shareholder and/or the Company to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and/or the Company and the place and time for completion of the transfer of the Sale Shares (which shall be at least 15 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice in the case of allocations to Shareholders and the date determined pursuant to Article 16.8.2 in the case of a purchase by the Company).

16.11. On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

16.12. If the Seller fails to comply with Article 16.11:

16.12.1. the chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller):

16.12.1.1. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

16.12.1.2. receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and

16.12.1.3. (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

16.12.2. the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the Company.

~~16.13. The transfer price (Transfer Price) for each Sale Share the subject of a Transfer Notice (or a Deemed Transfer Notice) shall save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director who is Connected to the Seller not voting), and the Seller or, in default of agreement within 15 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors serve notice under Article 17.1), the Fair Value of each Sale Share.~~

16.14. The Fair Value shall be the price per Sale Share determined by the Expert on the following bases and assumptions:

16.14.1. valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);

16.14.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

16.14.3. that the Sale Shares are capable of being transferred without restriction;

16.14.4. valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and

16.14.5. reflecting any other factors which the Expert reasonably believes should be taken into account.

16.15. If any difficulty arises in applying any of these assumptions or bases then the Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.

16.16. The Directors will give the Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

16.17. The parties are entitled to make submissions to the Expert including oral submissions and shall provide (or procure that others provide) the Expert with such assistance and documents as the Expert may reasonably require for the purpose of reaching a decision.

16.18. The Company and the Seller shall sign the terms of business and/or letter of engagement of the Expert and such other documents as the Expert, acting reasonably, may require (**Valuers Terms**) and if the Seller shall not do so within 10 Business Days of a request by the Company, the Company is irrevocably authorised to appoint any person as agent to sign the Valuers Terms on the Seller's behalf and to do anything else reasonably required on the Seller's behalf to assist with the Expert's determination of the Fair Value.

16.19. The Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

16.20. The Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.

16.21. The cost of obtaining the Expert's certificate shall be borne by the Seller and the Company equally or in such other proportions as the Expert directs unless:

16.21.1. the Seller withdraws the relevant Transfer Notice in accordance with Article 16.3; or

16.21.2. in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Expert;

in which case the Seller shall bear the full cost.

16.22. If all the Sale Shares are not sold under the pre-emption provisions contained in Articles 16.1 - 16.21 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller and the Seller may at any time, within 3 calendar months after receiving such notification, transfer to the Proposed Transferee any unsold Sale Shares at any price not less than the Transfer Price, provided that:

16.22.1. the Chairman may by direction require the Company to refuse registration of any Proposed Transferee if the Chairman reasonably believes the Proposed Transferee to be a competitor of the Company or a person connected with such a competitor (or a nominee of either);

16.22.2. if the Seller stipulated in the Transfer Notice a Minimum Transfer Condition which has not been satisfied, the Seller shall not be entitled to sell any Sale Shares unless he complies with such Minimum Transfer Condition;

16.22.3. the Seller's right to transfer Shares under this Article 16.22 shall not apply if the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

16.22.4. the Seller's right to transfer Shares under this Article 16.22 shall not apply if the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board to enable it to form the opinion mentioned above.

## 17. **Obligatory Transfers**

17.1. If any of the following events (**Obligatory Transfer Events**) happen to any holder of Shares, the Company (acting by its Board of Directors) may (but shall not be obliged to) at any time during the period of 12 months from the date that such Obligatory Transfer Event takes place serve a written notice on that shareholder stating that there shall be deemed to have been served by such shareholder (or his personal representative as the case may be (in this article, the **Transferor**)) a Deemed Transfer Notice in respect of all of his Shares (**Obligatory Transfer Shares**):

- 17.1.1. being an employee or director of the Company or any company within the Group, the shareholder ceases for any reason to be an employee or director of such company or such company ceases to be a company within the Group and without continuing as either an employee or director within the Group;
- 17.1.2. a petition is presented, or an order is made, for the shareholder's bankruptcy;
- 17.1.3. the court has made an order or appointed a deputy under section 16 of the Mental Capacity Act 2005 in respect of the shareholder;
- 17.1.4. the shareholder dies;
- 17.1.5. the shareholder suffers illness, injury or other physical or mental deterioration which is sufficiently serious to prevent him from continuing for a period of 12 months or more as an employee or director of the Company or any company within the Company's Group; or
- 17.1.6. being convicted of an indictable criminal offence which, in the opinion of the board of Directors, will have a material adverse effect on the Company or its business.

The Deemed Transfer Notice shall be deemed to have been served on the date of the occurrence of the Obligatory Transfer Event.

- 17.2. The provisions of Article 16 shall apply mutatis mutandis to any such Deemed Transfer Notice, provided that for these purposes:

- 17.2.1. the Sale Shares shall comprise the Obligatory Transfer Shares;
- 17.2.2. no details of the Proposed Transferor or Minimum Transfer Condition shall be specified in the Transfer Notice;
- 17.2.3. the sale price of the Obligatory Transfer Shares shall be determined in accordance with Article 17.3;
- 17.2.4. references to the "Seller" shall be replaced by the "Transferor".

- 17.3. The sale price of the Obligatory Transfer Shares shall be:

- 17.3.1. in the case of a Good Leaver, the Transfer Price; and
- 17.3.2. in the case of a Bad Leaver, the lower of (1) the Fair Value and (2) the latest available valuation per Share agreed between the Company and HM Revenue & Customs for the purposes of the grant of an EMI Share Option.

- 17.4. In these Articles:

- 17.4.1. a shareholder shall be deemed to be a Good Leaver:
  - (i) in the circumstances described in Articles 17.1.3, 17.1.4 or 17.1.5; or
  - (ii) he ceases to be an employee or director of the Company or any company within the Group as a result of unfair dismissal or redundancy by the Company (save for a minor technical or procedural reason resulting in a finding of unfair dismissal); or
  - (iii) in the circumstances described in Article 17.1.1 where (1) on the date of the Obligatory Transfer Event occurs the shareholder has been an employee or

director of the Company or any company within the Group for a continuous period of five years or more and (2) the shareholder is not dismissed by the Company or any company within the Group for misconduct or, where they are dismissed for misconduct, such dismissal is subsequently ruled to be unfair by a court or tribunal from which not further appeal is available; or

- (iv) any other circumstances which the Shareholder Majority confirm in writing to the Company that the shareholder shall be deemed to be a Good Leaver.

17.4.2. a shareholder shall be deemed to be a Bad Leaver in circumstances he is not deemed to be a Good Leaver unless the board of Directors agrees that he shall be deemed to be a Good Leaver.

## 18. Drag Along

18.1. If the holders of 70% or more of the Shares (**Selling Shareholders**) wish to transfer their shares in the Company (**Sellers' Shares**) to a bona fide arm's length purchaser (and not being a person or entity Connected with the Selling Shareholders) (**Proposed Buyer**), the Selling Shareholders may require each of the shareholders of the Company (other than the Selling Shareholders) (**Called Shareholders**) to sell and transfer all of their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (**Drag Along Option**).

18.2. 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:

18.2.1. that the Called Shareholders are required to transfer all of the Shares held by them (**Called Shares**) pursuant to this Article 18;

18.2.2. the person to whom the Called Shares are to be transferred;

18.2.3. the purchase price payable for the Called Shares which shall, for each of the Called Shares, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

18.2.4. the proposed date of the transfer.

18.3. Once issued, a Drag Along Notice shall be irrevocable.

18.4. The Selling Shareholders may require the Called Shareholders to agree to reasonable terms equivalent to those agreed by the Selling Shareholders and the Proposed Buyer including but not limited to the giving of warranties and any required indemnities (provided always that an Investor Shareholder shall not be obliged to give warranties or indemnities except a warranty as to unencumbered title to the Shares held by such Investor Shareholder) but always subject to a limitation or limitations reflecting the Called Shareholders' percentage holding of the total Shares to be sold to the Proposed Buyer and the purchase price received by the Called Shareholders.

18.5. 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 Seller's Shares unless the Selling Shareholders and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them.

18.6. Within 5 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders the Called Shareholders shall deliver stock transfer form(s) for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due for the Called Shares pursuant to Article 18.2 to the extent

that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 18.7. To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period referred to in Article 18.6, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of its Called Shares.
- 18.8. If a Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholders shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on their 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, 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 18.8.

**19. Tag along rights on a change of control**

- 19.1. Except in the case of transfers pursuant to Article 17 (**Obligatory Transfers**) or 18 (**Drag Along**), and after going through the pre-emption procedure set out in Article 16 (**Pre-emption Rights**), article 19.2 to 19.6 below shall apply if, in one or a series of related transactions, one or more Shareholders propose to transfer any shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 19.2. Before making a Proposed Transfer, the Seller(s) shall procure that the Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the shares held by them 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 two months preceding the date of the Proposed Transfer (**Specified Price**).
- 19.3. The Offer shall be made by written notice (**Offer Notice**), at least 10 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 19.3.1. the identity of the Buyer;
  - 19.3.2. the Specified Price and other terms and conditions of payment;
  - 19.3.3. the Sale Date; and
  - 19.3.4. the number of shares proposed to be purchased by the Buyer (**Offer Shares**).
- 19.4. If the Buyer fails to make the Offer to all of the Shareholders in accordance with clause 19.2 and clause 19.3, the Seller(s) 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.
- 19.5. If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 5 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.
- 19.6. The Proposed Transfer is subject to the pre-emption provisions of Article 16, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

## **ADMINISTRATIVE ARRANGEMENTS**

### **20. Means of Communication to Be Used**

20.1. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

20.1.1. if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

20.1.2. if properly addressed and delivered by hand, when it was given or left at the appropriate address;

20.1.3. if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

20.1.4. 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.

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

20.2. In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

### **21. Indemnity**

21.1. Subject to Article 22, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

21.1.1. 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 in the actual or purported execution and/or discharge of his duties, or in relation to them including 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 Group or associated company's) affairs; and

21.1.2. 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 21.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

21.2. This Article 21 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.



21.3. In this Article:

- 21.3.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 21.3.2. 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).

22. **Insurance**

- 22.1. 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.

22.2. In this article:

- 22.2.1. 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);
- 22.2.2. 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
- 22.2.3. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.