

Company number: 764 7786

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

**WRITTEN RESOLUTION**

- of -

**POWERED NOW LIMITED**

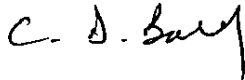
**(the "Company")**

**8 October 2015**

Pursuant to chapter 2 of part 13 of the Companies Act 2006, the following resolution was passed as a special resolution

**SPECIAL RESOLUTION**

That, the Company adopt new Articles of Association as are set out in the Articles of Association attached to this resolution and signed by way of identification by members for the time being entitled to receive notice of and attend a vote of the Company either in person or by proxy, and together holding not less than seventy-five percent in nominal value of the shares in issue and which are by this resolution adopted as the new Articles of Association in substitution for and to the complete exclusion of the existing Articles of Association of the Company



CD Barling

Director

THURSDAY



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19/11/2015

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COMPANIES HOUSE

COMPANY NUMBER 764 7786

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

**NEW**

**ARTICLES OF ASSOCIATION**

**of**

**POWERED NOW LIMITED**

(Adopted by a written resolution passed on 14<sup>th</sup> September 2014 and amended 8<sup>th</sup> October 2015)

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**THE COMPANIES ACT 2006**  
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**NEW**

**ARTICLES OF ASSOCIATION**

**of**

**POWERED NOW LIMITED**

(Adopted by a written resolution passed on 14th September 2014 and amended on 8th October 2015)

**1. Introduction**

- 1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following articles
- 1 2 In these articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 3 In these Articles
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,
  - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa, and
  - (c) Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

**2. Definitions**

In these Articles the following words and expressions shall have the following meanings

"**A Ordinary Shares**" means the A Ordinary Shares of 0.001 penny each in the capital of the Company and "**A Shareholder**" means a holder of any of those shares,

"**Act**" means the Companies Act 2006 (as amended from time to time),

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

"**Asset Sale**" means the disposal by the Company of all or substantially all of its undertaking and assets,

"**Associate**" in relation to any person means

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined), or
- (b) any Member of the same Group,

"**Auditors**" mean the auditors of the Company from time to time,

**"B Investment Shares"** means the B Investment Shares of 0.001 penny each in the capital of the Company and **"B Shareholder"** means a holder of any of those shares,

**"Bad Leaver"** means a Founder who ceases to be an Employee of the Company or any of its subsidiaries due to resignation or termination on the grounds of (a) negligence, gross misconduct or a material or repudiatory breach of the terms of his employment agreement or any other agreement with the Company, including any material breach of obligations to the Company concerning confidentiality or intellectual property or non-compliance with non-compete obligations applicable to him, (b) fraud or acts of dishonesty, (c) being convicted of any criminal offence (other than a road traffic offence which is not punished by a custodial sentence),

**"Board"** means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

**"Bonus Issue"** or **"Reorganisation"** means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company,

**"Business Day"** means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday),

**"Civil Partner"** means in relation to a Shareholder, a civil partner (as defined in the Civil Partnerships Act 2004) of the Shareholder,

**"Company"** means Powered Now Limited, a company incorporated in England and Wales with registered number 764 7786,

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

**"CTA 2010"** means the Corporation Tax Act 2010,

**"Date of Adoption"** means the date on which these Articles were adopted,

**"Director(s)"** means a director or directors of the Company from time to time,

**"Effective Termination Date"** means the date on which the Employee's employment or consultancy terminates,

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

**"Employee Share Option Plan(s)"** means any employee or consultant share option plan(s) of the Company, the terms of which have been approved by the Investor Director,

**"Employee Shares"** in relation to an Employee means all Shares in the Company held by

- (a) the Employee in question, and
- (b) any Permitted Transferee of that Employee other than those Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Employee and were acquired for fair market value,

**"Encumbrance"** means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law),

**"Exit"** means an IPO or a Share Sale,

**"Expert Valuer"** is as determined in accordance with Article 14.2,

**"Fair Value"** is as determined in accordance with Article 14.3,

**"Family Trusts"** means as regards any particular individual member or deceased or former individual member, trusts (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 individual and/or Privileged Relations of that individual, 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 such person or any voting or other rights attaching thereto are exercisable by or as directed by 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,

**"Financial Year"** and **"Financial Period"** means an accounting reference period (as defined by the Act) of the Company,

**"Founders"** mean Christopher Barling, Kay Barling, Zoltan Magyar and Benjamin Dyer,

**"Good Leaver"** means a Leaver who is not a Bad Leaver,

**"Group"** means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly,

**"Investors"** mean subscribers for A Ordinary Shares on the Date of Adoption who have signed a shareholders agreement dated on or around the Date of Adoption and their Permitted Transferees and any other subscriber for A Ordinary Shares who shall adhere to such an agreement,

**"Investor Director"** means the person appointed as Director by the Investors under Article 24,

**"Investor Majority"** means Investors holding in aggregate a majority of the A Ordinary Shares held by Investors,

**"Investor Majority Consent"** means the prior written consent of the Investor Majority,

**"IPO"** means the admission of all or any of the Shares or securities representing those shares (including without limitation American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be traded or quoted on NASDAQ or 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),

**"ITEPA"** means Income Tax (Earnings and Pensions) Act 2003,

**"Issue Price"** means the price at which the relevant Share is issued, including any premium,

**"Leaver"** means a Founder subject to a Compulsory Event under Article 16 2,

**"a Member of the same Group"** means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking,

**"NASDAQ"** means the NASDAQ Global Market of the Nasdaq OMX Group Inc

**"New Securities"** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 10 5),

**"Permitted Transfer"** means a transfer of Shares in accordance with Article 12,

**"Permitted Transferee"** means

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations or Trustees,
- (b) in relation to a Shareholder which is an undertaking (as defined in section 259(1) of the Act) means any Member of the same Group,
- (c) in relation to an Investor, to any bare nominee of the Investor,

**"Pre-New Money Valuation"** means the result of multiplying the total number of Shares in issue immediately after the IPO (but excluding any new Shares issued upon the IPO) by the subscription price per share (including any premium) in respect of new Shares issued at the time of the IPO,

**"Priority Rights"** means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 13 6 or Article 16 5 (as the case may be),

**"Privileged Relation"** in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, parent, sibling, child or grandchild (including step or adopted or illegitimate child and their issue),

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

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

**"Proposed Seller"** means any holder of A Ordinary Shares (other than an Investor) proposing to transfer any A Ordinary Shares in the capital of the Company,

**"Qualifying Person"** has the meaning given in section 318(3) of the Act,

**"Sale Shares"** has the meaning set out in Article 13 2(a) of these Articles,

**"Seller"** has the meaning set out in Article 13 2 of these Articles,

**"Shareholder"** means any holder of any Shares,

**"Shares"** means the A Ordinary Shares and the B Investment Shares and any other class of share (if any) from time to time,

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

**"Subsidiary, Subsidiary Undertaking"** and **"Parent Undertaking"** have the meanings set out in the Act,

**"Transfer Notice"** shall have the meaning given in Article 13 2,

**"Transfer Price"** shall have the meaning given in Article 13 2(c),

**"Trustees"** in relation to a Shareholder means the trustee or the trustees of a Family Trust,

### **3. Share capital**

3 1 The Company shall not be limited by an "authorised share capital"

3 2 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue

3 4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid, and" with the words "the amount paid up on them"

### **4. Dividends**

4 1 Any Shares shall rank *pari passu* in all respects as to dividends. No dividend shall be payable in respect of any Shares unless and until the amount of such dividend when aggregated with all dividends then payable to the holder of such Shares exceeds the sum of £50 and all the dividends declared but not paid pursuant to this Article shall be held by the Company as dedicated retained dividends on trust for such holder of Shares and shall be payable to such persons either upon the winding up of the Company or when the cumulative value of such withheld dividends exceeds £50

4 2 All dividends are expressed net and, subject to Article 4 1, shall be paid in cash

### **5. Liquidation preference**

On a distribution of assets on liquidation or a return of capital, the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so)

- (a) first in paying to each of the Shareholders, an amount per share held equal to the Issue Price of such Shares (in aggregate, the "**Principal Amounts**") if the surplus assets of the Company are not sufficient to pay the Principal Amounts, the holders of Shares will receive a proportion of the surplus assets of the Company equal to their pro-rata entitlement to the Principal Amounts, and
- (b) the balance of the surplus assets (if any) shall be distributed among the Shareholders pro rata to the number of Shares held until such time as all Shareholders have received the greatest Issue Price paid by any Shareholder in respect of any Share provided that when aggregated with any payment received under 5 1 (a) above, no Shareholder shall receive more than the greatest Issue Price paid by any Shareholder in respect of any Share held by him, and
- (c) the balance of the surplus assets (if any) shall be distributed among the Shareholders pro rata to the number of Shares held

## **6. Exit provisions**

6 1 On a Share Sale, the Proceeds of Sale shall be distributed in the following order of priority

- (a) first in paying to each of the Shareholders an amount per share held equal to the Issue Price of such Shares (in aggregate, the "**Principal Amounts**"), if the Proceeds of Sale are not sufficient to pay the Principal Amounts, the holders of Shares will receive a proportion of the proceeds equal to their pro-rata entitlement to the Principal Amounts, and
- (b) the balance of the surplus assets (if any) shall be distributed among the Shareholders pro rata to the number of Shares held until such time as all Shareholders have received the greatest Issue Price paid by any Shareholder in respect of any Share provided that when aggregated with any payment received under 6 1 (a) above no Shareholder shall receive more than the greatest Issue Price in respect of any Share held by him, and
- (c) the balance of the surplus assets (if any) shall be distributed among the Shareholders pro rata to the number of Shares held

and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale

- (i) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out above, and
- (ii) the Shareholders shall take any action required as is necessary to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out above

6 2 On an IPO the B Investment Shares shall automatically convert into A Ordinary Shares

## **7. Votes in general meeting**

7 1 The A Ordinary Shares shall confer on each holder of A Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company The B Investment Shares shall have no voting rights attached to them, and holders of B Investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings

7 2 Where Shares confer a right to vote on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present, shall have one vote for each Share held by him

## **8 Creation of new classes of Shares**



- 8 1 So far as permitted by law and Article 9, the Company shall be entitled to create new classes of Shares with rights and obligations either superior or inferior to the Shares

**9. Variation of Rights & Investor consent**

- 9 1 Without the prior written consent of the Investor Director, the Company shall not

- (a) permit or cause to be proposed any alteration to its share capital (including any increase thereof) or the rights attaching to its Shares or waive any right to receive payment on any of its Shares issued partly paid,
- (b) create, allot, issue, buy-in or redeem any share or loan capital or grant or agree to grant any options (other than pursuant to the Employee Share Option Plan(s)) or warrants for the issue of any share or loan capital or issue any securities convertible into shares, or establish any employee incentive scheme except in accordance with these Articles,
- (c) permit or cause to be proposed any amendment to its memorandum of association or these Articles,
- (d) propose or pay any dividend or propose or make any other distribution (as defined under sections 209, 418 and 419 of ICTA),
- (e) subscribe or otherwise acquire, or dispose of any shares in the capital of any other company,
- (f) acquire or dispose of the whole or part of the undertaking of any other person or acquire or dispose of the whole or part of the undertaking of the Company or merge the Company or any part of its business with any other person or propose to do so,
- (g) permit the Company to cease, or propose to cease, to carry on its business or permit the Company or its directors (or any one of them) to take any step to wind up the Company, save where it is insolvent (within the meaning of section 123 of the Insolvency Act 1986),
- (h) permit the Company or its directors (or any one of them) to take any step to place the Company into administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment), permit the Company or its directors to propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part I of the Insolvency Act 1986 or otherwise) or to apply for an interim order under Part I of the Insolvency Act 1986, or permit the Company or its directors to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking,
- (i) enter into or give or permit or suffer to subsist any guarantee of or indemnity or contract of suretyship for or otherwise commit itself in respect of the due payment of money or the performance of any contract, engagement or obligation of any other person or body,
- (j) adopt a detailed operating and capital budget and cash flow forecast in respect of each financial year of the Company, or
- (k) do any material act or thing outside the ordinary course of the business carried on by it, or
- (l) enter into or vary any transaction or arrangement with, or for the benefit of any of its directors or shareholders or any other person who is a "connected person" with any of its directors or shareholders

- 9 2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares

**10 Allotment of new shares or other securities pre-emption**

- 10 1 Subject to the remaining provisions of this Article 10, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to

- (a) offer, allot or grant rights to subscribe for, or
- (b) convert securities into, or

(c) otherwise deal in, or dispose of

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority (and the Directors may allot relevant securities in pursuance of an offer or agreement as if such authority had not expired)

10 2 In accordance with section 567(1) of the Act, sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company

10 3 Unless otherwise agreed by special resolution passed in general meeting or by written resolution passed in accordance with part 13 of the Act, if the Company proposes to allot any New Securities at any time those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all A Shareholders on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions) The offer

(a) shall be in writing, give details of the number and subscription price of the New Securities, and

(b) may stipulate that any A Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("Excess Securities") for which they wish to subscribe

10 4 Subject to Article 10 3 any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

10 5 The provisions of Article 10 3 shall not apply to

(a) options to subscribe for Shares and the issue of shares pursuant to options granted under any Employee Share Option Plan(s),

(b) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority,

(c) New Securities which the Founders and the Investor Majority have agreed in writing should be issued without complying with the procedure set out in this Article 10,

(d) New Securities issued as a result of a Bonus Issue or Reorganisation, which has been approved in writing by an Investor Majority

10 6 No Shares shall be allotted to any Employee, Director, prospective employee or director unless such person has entered into a joint section 431 ITEPA election with the Company

## **11. Transfers of Shares – General**

11 1 In Articles 11 to 18 inclusive, reference to the transfer of a Share includes the transfer or assignment 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

11 2 No Share may be transferred by any Founder within three years of the Date of Adoption without the consent of the Investor Director (such consent not to be unreasonably withheld or delayed)

11 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him

11 4 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 18 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee

11 5 The Directors may refuse to register a transfer if

(a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind,

(b) the transfer is to an Employee, Director or prospective employee or director and such person has not entered in a joint section 431 ITEPA election with the Company,

(c) it is a transfer of a Share which is not fully paid

- (i) to a person of whom the Directors do not approve, or
- (ii) on which Share the Company has a lien,
- (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint,
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
- (f) the transfer is in respect of more than one class of Shares, or
- (g) the transfer is in favour of more than four transferees

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

- 11 6 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur

- (a) the relevant shares shall cease to confer upon the holder of them (or any proxy) any rights
  - (i) to vote whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor, or
  - (ii) to receive dividends or other distributions (other than the amount they may be entitled to pursuant to the application of Article 4 1) otherwise attaching to those shares or to any further shares issued in respect of those Shares, and
- (b) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder

The rights referred to in (a) above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in (b) above

- 11 7 In any case where the Board may require a Transfer Notice to be given in respect of any Shares (in accordance with the provisions of these Articles) if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within 5 Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares,
- (b) it does not include a Minimum Transfer Condition (as defined in Article 13 2(d)), and
- (c) the Seller wishes to transfer all of the Shares held by it

## 12. Permitted Transfers

- 12 1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise
- 12 2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 12 2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise
- 12 3 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than 5 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares
- 12 4 Trustees may (i) transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**") or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise
- 12 5 No transfer of Shares may be made to Trustees unless the Board is satisfied
- (a) with the terms of the trust instrument and in particular with the powers of the trustees,
  - (b) with the identity of the proposed trustees,
  - (c) the proposed transfer will not result in fifty (50) percent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
  - (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company
- 12 6 If a company to which a Share has been transferred under Article 12 5, ceases to be a Qualifying Company it must within 5 Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares
- 12 7 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either
- (a) 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
  - (b) give a Transfer Notice to the Company in accordance with Article 13 2,
- failing which he shall be deemed to have given a Transfer Notice
- 12 8 On the death (subject to Article 12 2), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within 5 Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 5 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice

- 12 9 Any B Shareholder shall be entitled to transfer or transmit B Investment Shares to such persons and at such prices as he or she shall see fit, provided that (except with the prior sanction of a resolution of the Board) such transfer is in respect of the B Shareholder's entire holding of B Investment Shares to a single transferee

### 13. Transfers of Shares subject to pre-emption rights

- 13 1 Save where the provisions of Articles 12, 15 and 16 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13

- 13 2 Any Shareholder who wishes to transfer Shares (a "Seller") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "Transfer Notice") to the Company specifying

- (a) the number of Shares which he wishes to transfer (the "Sale Shares"),
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
- (c) the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (including the Investor Director) (the "Transfer Price"), and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "Minimum Transfer Condition")

- 13 3 Except with the written consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

- 13 4 A Transfer Notice constitutes appointment of the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price

- 13 5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice, and
- (b) in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 14,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 13 6 to 13 8 Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

- 13 6 *Priority for offer of Sale Shares*

The Sale Shares shall be offered in the following priority

- (i) to all Shareholders,
- (ii) thereafter, to the Company,

in each case on the basis set out in Article 13 7

- 13 7 *Transfers First Offer*

- (a) The Board shall offer the Sale Shares pursuant to the Priority Rights to all shareholders specified in the offer and in accordance with Article 13 6(i) and (ii) above other than the Seller (the "Continuing Shareholders") inviting them to apply in writing within the period from the date of the offer to the date 5 Business Days after the offer (inclusive) (the "First Offer Period") for the maximum number of Sale Shares they wish to buy
- (b) If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Articles 13 7 and 13 8 will be conditional on the fulfilment of the Minimum Transfer Condition
- (c) If, 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 Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the

nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares but 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

- (d) If not all Sale Shares are allocated in accordance with Article 13 7(c) but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 13 7(c).
- (e) If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be offered in accordance with Article 13 6(ii) substantially in the same manner as indicated in this Article

#### 13 8 *Completion of transfer of Sale Shares*

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 13 7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- (b) If
  - (i) the Transfer Notice does not include a Minimum Transfer Condition, and
  - (ii) allocations have been made in respect of all the Sale Shares,the Board shall, when no further offers are required to be made under Article 13 7, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares
- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it
- (d) If the Seller fails to comply with the provisions of Article 13 8(c)
  - (i) the Chairman of the company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller
    - (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
    - (b) receive the Transfer Price and give a good discharge for it, and
    - (c) (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
  - (ii) 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 to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)
- (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13 8(f), the Seller may, within 60 days after service of the Allocation Notice, transfer the surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the surplus Shares shall continue to be subject to any Minimum Transfer Conditions
- (f) The right of the Seller to transfer Shares under Article 13 8(e) does not apply if the Board is of the opinion on reasonable grounds that

- (i) the transferee is a person (or a nominee for a person) who the Board determines in its absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company,
- (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee,
- (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above, or
- (iv) the transferee has not complied with Article 17 where such compliance is necessary
- (g) The restrictions imposed by this Article may be waived in relation to any proposed transfer with Board Consent and Investor Director Consent

#### 14 Valuation of Shares

- 14 1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either
- (a) appoint expert valuers in accordance with Article 14 2 (the "**Expert Valuers**") to certify the Fair Value of the Sale Shares, or
  - (b) (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks) specify that the Fair Value of the sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice
- 14 2 The Expert Valuers will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party
- 14 3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer,
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
  - (c) that the Sale Shares are capable of being transferred without restriction,
  - (d) 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
  - (e) reflect any other factors which the Expert Valuers reasonably believe should be taken into account
- 14 4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- 14 5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination
- 14 6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 14 7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose

14 8 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

14 9 The cost of obtaining the certificate shall be paid by the Company unless

- (a) the Seller cancels the Company's authority to sell, or
- (b) the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the directors to the Seller for the Sale Share before the Expert Valuers were instructed,

in which case the Seller shall bear the cost

## 15 Compulsory transfers – general

15 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

15 2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer), or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 15 2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

15 3 If a Shareholder which is a company or a Permitted Transferee of that Shareholder, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder or Permitted Transferee shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and/or such Permitted Transferee save to the extent that, and at a time, the Directors may determine.

15 4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.

## 16. Compulsory transfer – Employees and Founder

16 1 If any Employee (other than a Founder) ceases to be an Employee by reason of his dismissal on the grounds of gross misconduct, the relevant Employee shall be deemed to have given a Transfer Notice in respect of all the Employee Shares on the Effective Termination Date. In such circumstances the Transfer Price shall be as follows:

- (a) where the relevant Employee has not obtained such Employee Shares by virtue of exercise of an option under the Employee Share Option Plan, the lower of Fair Value and the subscription price paid for the Employee Shares,
- (b) where the Employee has obtained such Employee Shares by virtue of exercise of an option under the Employee Share Option Plan, the Fair Value.

16 2 If, within 24 months of the Date of Adoption a Founder ceases to be a director, consultant or employee of the Company or any of its subsidiaries and does not continue as a director, consultant or employee of any of them in circumstances (a "Compulsory Event") a Transfer Notice shall be



deemed to have been immediately given in respect of the Relevant Fraction of the Founder's Shares, where the Relevant Fraction is determined as follows

- (a) Where the Founder is a Good Leaver the Relevant Fraction shall be  $(24-X)/24$  where X is the number of complete months that have elapsed after the Date of Adoption to the date upon which the Founder became a Good Leaver, and
  - (b) Where the Founder is a Bad Leaver, the Relevant Fraction shall be 100 per cent
- 16 3 For the purpose of Article 16 2 the sale price of the Shares that are the subject of the Transfer Notice shall be -
- (a) Where the Founder is a Good Leaver, the Fair Value of those Shares, and
  - (b) Where the Founder is a Bad Leaver, the nominal amount of those Shares
- 16 4 For the purposes of this Article, if Chris Barling is a Leaver, Kay Barling shall be deemed to be a Leaver
- 16 5 For the purposes of this Article, the Priority Rights shall be such that the Employee Shares are offered to a person or persons nominated by the Board (but with the prior written consent of an Investor Majority)
- 16 6 Until such time as the Shares are transferred in accordance with Articles 16 1 and 16 2, all voting rights attached to Employee Shares held by any Bad Leaver (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board (and, in the case of a Founder, with Investor Majority Consent) notify him otherwise
- 16 7 Any Employee Shares whose voting rights are suspended pursuant to Article 16 6 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy. Voting rights suspended shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in the Company in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of shareholders) automatically be restored

## 17. Tag Along & Co-sale

- 17 1 Except in the case of Permitted Transfers and transfers pursuant to Articles 15 and 16, to be effected at the same time as the pre-emption procedure in Article 13, the provisions of Article 17 2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares that would result in a person or persons not members of the Company on the Date of Adoption acquiring a Controlling Interest in the Company (the "**Proposed Transfer**")
- 17 2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the Shareholders to acquire all Shares held by them for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 17 7)
- 17 3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**")
- 17 4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect
- 17 5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders

17 6 The Proposed Transfer is subject to the pre-emption provisions of Article 13 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 13

17 7 For the purpose of this Article

- (a) the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively,
- (b) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser
  - (i) in the Proposed Transfer, or
  - (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus a sum equal to the amount of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser to the Proposed Seller, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for each Share,

- (c) **Relevant Fraction** = A/B

where A = number of Shares being sold by the Proposed Seller,

B = number of Shares held by the Proposed Seller immediately before the Proposed Transfer

17 8 Except in the case of Permitted Transfers and transfers pursuant to Articles 15, 16 and 17 1, to be effected at the same time as the pre-emption procedure in Article 14, the provisions of Article 17 2 will apply if a Proposed Seller proposes to transfer any Shares save that references in Article 17 2 to "the Shareholders to acquire all Shares held by them" shall be read and construed as references to "the Investors to acquire the Relevant Fraction (as defined in Article 17 7(c)) of Shares held by them"

## 18. Drag-Along

18 1 If the holders of 50 per cent of the A Ordinary Shares (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article subject to no notice being issued pursuant to Article 18 3

18 2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer

18 3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice save if the lapse is in the circumstances set out in Article 18 7

18 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 5

18 5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article

18 6 Within five Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour

of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 18.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 18.4 in trust for the Called Shareholders without any obligation to pay interest.

18.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the price due pursuant to Article 18.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of their Shares.

18.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or a suitable indemnity) for its Shares to the Company upon the expiration of that five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the price for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him under Article 18.4.

18.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 13.

18.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## **19 General meetings**

19.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.

19.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

19.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.

19.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

19.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs.

not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

- 19 6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 19 7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

## **20. Proxies**

- 20 1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)"
- 20 2 The instrument appointing a proxy and any authority under which it is executed or a certified copy of such authority or a copy in some other way approved by the Directors may
- (a) be deposited at the office or at any other place within the United Kingdom as may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,
  - (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the Secretary or to any Director, or
  - (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the Secretary or to any Director or scrutineer,
- and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

## **21. Directors' borrowing powers**

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

## **22. Alternate directors**

- 22 1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director to
- (a) exercise that Director's powers, and
  - (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

- 22 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.
- 22 3 The notice must
- (a) identify the proposed alternate, and

- (b) 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
- 22 4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's Appointor
- 22 5 Except as these Articles specify otherwise, alternate directors
  - (a) are deemed for all purposes to be Directors,
  - (b) are liable for their own acts and omissions,
  - (c) are subject to the same restrictions as their Appointors, and
  - (d) are not deemed to be agents of or for their Appointors,
 and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member
- 22 6 A person who is an alternate Director but not a Director
  - (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and
  - (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate)
 No alternate may be counted as more than one Director for such purposes
- 22 7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision)
- 22 8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company
- 22 9 An alternate Director's appointment as an alternate shall terminate
  - (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
  - (b) 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,
  - (c) on the death of the alternate's Appointor, or
  - (d) when the alternate's Appointor's appointment as a Director terminates

## 23. Number of Directors

- 23 1 Unless and until the Company in general meeting shall otherwise determine the number of Directors shall not exceed ten (10) and shall be not less than two (2)

## 24. Appointment of Directors

- 24 1 The Founders (for so long as they hold not less than ten (10) percent of the fully diluted share capital of the Company each) shall be entitled to act as a Director of the Company from time to time and the other holders of Shares shall not vote their Shares to remove them from office
- 24 2 The Investors (acting by Investor Majority Consent) shall be entitled to appoint an Investor Director at any time and may remove from office any person so appointed (acting by Investor Majority Consent) and (subject to such removal) appoint another in his place. The other holders of Shares shall not vote their Shares so as to remove that director from office. Such appointment and

removal shall be made by notice in writing to the Company by the appointing Investors. The parties acknowledge that William Anthony is the first such appointee from the Date of Adoption.

24.3 An appointment or removal of a Director under this Article will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

24.4 The Investor Director shall be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.

## **25. Disqualification of Directors**

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if he

- (a) is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his, her or its office be vacated, or
- (b) in the case of Directors, other than the Investor Director, if all of his co-directors serve notice on him in writing, removing him from office.

## **26. Proceedings of Directors**

26.1 To be quorate, any meeting of the Board shall be two Directors and must include one director (if any) appointed under Article 24.2. If such a quorum is not present within half an hour from the time appointed for the meeting the meeting may be adjourned to a date not less than 1 week later at the same time and place or at such time and place as determined by the Directors present at such meeting at which adjourned meeting the quorum shall be any 2 Directors.

26.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.

26.3 Any Director who participates in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at that meeting (whether in person or by alternate or by means of that type of communication device) to hear at all times that Director and that Director to hear at all times all other Directors present at the meeting (whether in person or by alternate or by means of that type of communication device) shall be deemed to be present at the meeting and shall be counted when reckoning a quorum. A meeting held by these means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.

26.4 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors.

26.5 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote. Christopher Barling shall be the first chairman of the Board.

26.6 If the chairman of the Board has not been appointed within three months of the Date of Adoption or within three months of the resignation of a chairman the Board shall be entitled to appoint a chairman. Article 12 of the Model Articles shall be modified accordingly.

26.7 The Board shall meet at least 10 times in each calendar year.

26.8 A decision of the Directors 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 (including confirmation given by electronic means). Reference in

article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also

## 27. Notices

27.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied

- (a) in hard copy form,
- (b) in electronic form, or
- (c) (by the Company) by means of a website (other than notices calling a meeting of Directors), or partly by one of these means and partly by another of these means

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 27

### *Notices in hard copy form*

27.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas)

- (a) to the Company at its registered office, or
- (b) to the address notified to or by the Company for that purpose, or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members, or
- (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors, or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied, or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company

27.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective

- (a) if delivered, at the time of delivery,
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

### *Notices in electronic form*

27.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may

- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address,
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 27.2, or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify
  - (i) on its website from time to time, or
  - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time

27 5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective

- (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first,
- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first,
- (c) if delivered in an electronic form, at the time of delivery, and
- (d) if sent by any other electronic means as referred to in Article 27 4(c), at the time such delivery is deemed to occur under the Act

27 6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt

*Notice by means of a website*

27 7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website

*General*

27 8 In the case of joint holders of a Share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**") Notice so given shall constitute notice to all the joint holders

27 9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise)

## 28 Indemnities

28 1 Subject to the provisions of and so far as may be permitted by, the Act

- (a) every Director or other officer of the Company (excluding the Company's auditors) without prejudice to any indemnity to which a Director or other officer of the Company may otherwise be entitled, shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against
  - (i) any liability incurred by the director to the Company or any associated company, or
  - (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature, or
  - (iii) any liability incurred by the director
    - (a) in defending any criminal proceedings in which he is convicted,
    - (b) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him, or
    - (c) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,



save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 28 1(a)(i), 28 1(a)(iii)(b) and 28 1(a)(iii)(c) applying,

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme

- 28 2 The Company shall (if determined by the Board and at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

## 29. Data Protection

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

## 30 Directors' Interests in Transactions

- 30 1 The Directors may (subject to such terms and conditions, if any, as the Directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law
- (a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty and a conflict of duties),
  - (b) a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of Article 30 1(a) may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,
- 30 2 Where the effect of excluding, pursuant to Article 30, a Director or Directors from counting in a quorum at any board meeting would be such that the meeting would not be quorate then the quorum for the meeting at which any such authorisation is sought shall be any one Director
- 30 3 If a matter, or office, employment or position has been authorised by the Directors in accordance with this Article 30 the relevant Director shall be obliged to conduct himself in accordance with

any terms imposed by the board in relation thereto (whether at the time authorisation is given or at any time thereafter) and, subject to those terms the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position

- 30 4 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to this Article 30 (subject in any case to any limits or conditions to which such approval was subject)
- 30 5 The Investor Director's duty to the Company arising from his holding office as Director shall not be breached as a result of any conflict situation which might arise under article 30 1 above and he shall not be held accountable to the Company for any benefit he directly or indirectly derives from his involvement with any such conflict situation
- 30 6 Provided (if the articles so require) that he has declared to the Directors, in accordance with the provisions of these articles, the nature and extent of his interest, and subject to any restrictions on voting or counting in a quorum imposed by these articles, or by the Directors in authorising any conflict of interest pursuant to this article 30, at any meeting of the Directors (or of any Committee of the Directors) a Director may vote on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest. If he does vote on any such resolution, his vote shall be counted. Such a Director shall be counted as part of the quorum present at the meeting (and in relation to such a resolution) whether or not the Director votes on the resolution, save to the extent that these articles provide to the contrary

### 31. Lien

- 31 1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable
- 31 2 The Company's Lien over a Share
- (a) shall take priority over any third party's interest in that Share, and
  - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part

- 31 3 Subject to the provisions of this Article 31, if
- (a) a notice complying with Article 31 4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share, and
  - (b) the person to whom the notice was given has failed to comply with it,
- the Company shall be entitled to sell that Share in such manner as the Directors decide
- 31 4 A Lien Enforcement Notice
- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
  - (b) must specify the Share concerned,
  - (c) must require payment of the sum payable within 14 days of the notice
  - (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
  - (e) must state the Company's intention to sell the Share if the notice is not complied with
- 31 5 Where any Share is sold pursuant to this Article 31

- (a) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser, and
  - (b) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale
- 31 6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice,
  - (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice
- 31 7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
  - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share

## 32. Call Notices

- 32 1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "Call Notice") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice
- 32 2 A Call Notice
- (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium),
  - (b) shall state when and how any call to which it relates it is to be paid, and
  - (c) may permit or require the call to be paid by instalments
- 32 3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent
- 32 4 Before the Company has received any call due under a Call Notice the Directors may
- (a) revoke it wholly or in part, or
  - (b) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made
- 32 5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share
- 32 6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to
- (a) pay calls which are not the same, or
  - (b) pay calls at different times

- 32 7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)
- (a) on allotment,
  - (b) on the occurrence of a particular event, or
  - (c) on a date fixed by or in accordance with the terms of issue
- 32 8 If the due date for payment of such a sum as referred to in Article 32 7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture
- 32 9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below)
- (a) the Directors may issue a notice of intended forfeiture to that person, and
  - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the call payment date at the Relevant Rate (as defined below)
- 32 10 For the purposes of Article 32 9
- (a) the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "**Call Payment Date**" is that later date,
  - (b) the "**Relevant Rate**" shall be
    - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
    - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors, or
    - (iii) if no rate is fixed in either of these ways, five percent a year,
 provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)
- 32 11 The Directors may waive any obligation to pay interest on a call wholly or in part
- 32 12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice

### 33. Forfeiture of Shares

- 33 1 A notice of intended forfeiture
- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice,
  - (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
  - (c) shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice,
  - (d) shall state how the payment is to be made; and
  - (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited
- 33 2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

- 33 3 Subject to these articles, the forfeiture of a Share extinguishes
- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
  - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company
- 33 4 Any Share which is forfeited in accordance with these Articles
- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited,
  - (b) shall be deemed to be the property of the Company, and
  - (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit
- 33 5 If a person's Shares have been forfeited then
- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members,
  - (b) that person shall cease to be a Shareholder in respect of those Shares,
  - (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation,
  - (d) that person shall remain liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
  - (e) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal
- 33 6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit
- 33 7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer
- 33 8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share
- 33 9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 33 10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which
- (a) was, or would have become, payable, and
  - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds

#### **34. Surrender of Shares**

34 1 A Shareholder shall be entitled to surrender any Share

- (a) in respect of which the Directors issue a notice of intended forfeiture,

(b) which the Directors forfeit, or

(c) which has been forfeited

The Directors shall be entitled to accept the surrender of any such Share

34 2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share

34 3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited

### 35 Electronic Communication

35 1 Without prejudice to Article 48 of the Model Articles, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Companies Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors)

35 2 For the purposes of Article 35 1 above, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 35 2

35 3 When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Companies Act

35 4 Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission

35 5 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control

35 6 Each Shareholder and Director shall for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Companies Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website

### 36 Share Certificates

36 1 The conditions of issue of any Shares shall not require the Company to issue any Share certificate although the Board may resolve to do so

36 2 The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders

36 3 If the Board resolves to issue a Share certificate it may be issued under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some

mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person

- 36 4 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.