

FINAL

Adopted by Special Resolution on 15 February 2021

Articles of Association of Honest Brew Ltd



COMPANY NUMBER 08276744

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HONEST BREW LTD

(Adopted by special resolution passed on 15 February 2021)

INTRODUCTION

1 Interpretation

1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings:

"Act"	the Companies Act 2006;
"Adoption Date"	the date of adoption of these Articles;
"Arrears"	all arrears, accruals and deficiencies of any dividend or other sums payable in respect of the relevant Equity Share whether or not earned or declared and irrespective of whether or not the Company has had, at any time, sufficient distributable profits to pay such dividend or sums, together with all interest and other amounts payable thereon;
"Articles"	the Company's articles of association for the time being in force;
"Asset Sale"	the completion of a sale or disposal (whether through a single transaction or a series of related transactions) of all or substantially all (as a going concern) of the business and assets of the Company where the proceeds of such sale are subsequently distributed to shareholders (in whole or in part);
"Associated Company"	in relation to: (a) any one company (the "First Company") any company which is a

	holding company of, a subsidiary of, or a subsidiary of a holding company, of the First Company, or
	(b) an individual, any company which the individual has a Controlling Interest in;
"Available Profits"	profits available for distribution within the meaning of part 23 of the Act;
"B Ordinary Shares"	the B ordinary shares of £0.01 each in the capital of the Company;
"Bad Leaver"	a person who ceases to be an Employee as a consequence of: <ul style="list-style-type: none"> (a) such person's resignation as an Employee except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect; or (b) that person's dismissal as an Employee for cause, where "cause" shall mean the lawful termination of that person's contract of employment without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment;
"Board"	in relation to the Company, its board of directors from time to time;
"Business Day"	any day (other than a Saturday, Sunday or public holiday in the United Kingdom);
"Chairman"	the chairman of the board of Directors appointed under Article 6.3(b) or Article 6.4;
"C Investment Shares"	the C investment shares of £0.01 each in the capital of the Company;
"Companies Acts"	has the meaning given to it in the Act;
"Company"	Honest Brew Ltd (Company Number 08276744);

“Conflicted Shareholder”	means a shareholder of Company who is a director of the Company and a director of, or an adviser to, Hargreave Hale AIM VCT PLC;
“connected”	has the meaning given in section 252 of the Act;
“Controlling Interest”	an interest in shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
“D Aggregate Subscription Price”	the aggregate Issue Price of all D Ordinary Shares;
“DB Director”	any director appointed as a director of the Company in accordance with Article 6.3;
“DB Investor Group”	means the DB Investors;
“DB Investors”	means David Brock, Jean Brock, Helen Brock and Catherine Stock-Haanstra and their Permitted Transferees;
“D Ordinary Shares”	the D ordinary shares of £0.01 each in the capital of the Company;
“Deemed Transfer Notice”	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles;
“Departing Employee”	an Employee who ceases to be an Employee of any Group Company without becoming or continuing to be an Employee of another Group Company;
“Directors”	the directors of the Company from time to time including the Investor Director;
“Disposal”	the disposal by the Company of all, or a substantial part of, its business and assets;
“E Ordinary Shareholder”	a holder of E Ordinary Shares;
“E Ordinary Shares”	the E ordinary shares of £0.01 each in the capital of the Company;
“Electronic Forum”	a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism;

“Eligible Director”	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
“Employee”	an individual who is an employee of, or who provides executive consultancy services to, any Group Company (excluding any Investor or person appointed by an Investor);
“Equity Share”	an Ordinary Share, B Ordinary Share, C Investment Share, D Ordinary Share, E Ordinary Share, F Ordinary Share, G Ordinary Share, H Ordinary Share, I Ordinary Share, J Ordinary Share, K Ordinary Share, L Ordinary Share or M Ordinary Share;
“Equity Shareholder”	a holder of an Equity Share;
“Exit”	either a Share Sale or IPO;
“F Ordinary Shares”	the F ordinary shares of £0.01 each in the capital of the Company;
“Financial Year”	an accounting reference period (as defined in section 391 of the Act) of the Company;
“Founder Ordinary Shares”	the ordinary shares of £0.01 each in the capital of the Company issued to Andrew Reeve, Annabel Causer, Craig Willmott, Tim Armstrong and Mark Tenhagen;
“Founders”	Andrew Reeve and Annabel Causer;
“Fund Manager”	a person whose principal business is to make, manage or advise upon investments in securities;
“G Ordinary Shares”	the G ordinary shares of £0.01 each in the capital of the Company;
“Good Leaver”	a person who ceases to be an Employee and who is not a Bad Leaver (including where, by Unanimous Board Approval, such person is deemed not to be a Bad Leaver);
“Group”	the Company and its subsidiaries (if any) from time to time and Group Company shall be construed accordingly;

“H Ordinary Shares”	the H ordinary shares of £0.01 each in the capital of the Company;
“Hargreave Consent”	the prior consent in writing of the holders of D Ordinary Shares;
“Hargreave Hale”	Hargreave Hale Limited incorporated and registered in England with company number 03146580 whose registered office is at 41 Lothbury, London, EC2R 7AE;
“Hargreave Hale Director”	any director appointed as a director of the Company in accordance with Article 6.2;
“HHL”	Hargreave Hale Limited incorporated and registered in England with company number 03146580 whose registered office is at 41 Lothbury, London, EC2R 7AE;
“holding company”	has the meaning given in section 1159 of the Act;
“I Ordinary Shares”	the I ordinary shares of £0.0001 each in the capital of the Company;
“Independent Expert”	the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert or its terms of appointment within 10 Business Days of the expiry of the 20 Business Day period referred to in Article 21.1(b), an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);
“Investment Agreement”	the subscription and shareholders agreement dated 13 July 2017 between, amongst others, the Company, the Founders and the Managers (as defined therein) (as the same was amended on 25 July 2019, 17 September 2020 and on or around the Adoption Date and as may subsequently be varied, supplemented, adhered to or suspended in accordance

	with its terms (or these Articles) for the time being);
“Investors”	the holders for the time being of B Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, I Ordinary Shares, J Ordinary Shares, K Ordinary Shares, L Ordinary Shares, M Ordinary Shares and the Original A Ordinary Shares, and their Permitted Transferees;
“Investor Director(s)”	any MTA Director, DB Director or Hargreave Hale Director;
“IPO”	the admission of all or any of the Shares or securities representing those shares to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other Recognised Investment Exchange;
“Issue Price”	in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;
“J Ordinary Shares”	the J ordinary shares of £0.01 each in the capital of the Company;
“K Ordinary Shares”	the K ordinary shares of £0.01 each in the capital of the Company;
“L Ordinary Shares”	the L ordinary shares of £0.01 each in the capital of the Company;
“Liquidation Surplus”	on a return of assets on a liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities;
“M Ordinary Shares”	the M ordinary shares of £0.01 each in the capital of the Company;
“Member of the Same Group”	regarding any company, which is from time to time a holding company or a subsidiary of that company, or a subsidiary of any such holding company;
“Minimum Transfer Condition”	any reasonable conditions set by a Shareholder which must be satisfied

	before a sale of the Shares can be completed;
“MTA Director”	any director appointed as a director of the Company in accordance with Article 6.1;
“MTA Investors”	those Shareholders identified as such in the Investment Agreement, acting by the holders of a majority of the Shares held by the all of such shareholders;
“Model Articles”	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date;
“Original A Ordinary Shares”	the ordinary shares of £0.01 each in the capital of the Company which were originally issued as A ordinary shares;
“Permitted Transfer”	a transfer of Shares made in accordance with Article 20;
“Permitted Transferee”	in relation to:- <ul style="list-style-type: none"> (a) a Shareholder which is a company, a Member of the Same Group as that company (and for the avoidance of doubt, if any of the Investors, HHL, CGWL Nominees Limited (company number 09057852) or Hargreave Hale Nominees Limited (company number 02439714) are acquired by a third party (including for the avoidance of any doubt where the Investors enter into a scheme of reconstruction or amalgamation as between themselves) and the effect of such acquisition is that the Shares are, or are to be, transferred (or are deemed to be transferred) by such parties to the third party acquirer or a member of its group, any such transferee shall be deemed to be a Permitted Transferee); (b) a Shareholder who is an individual, to that Shareholder’s Privileged Relations;

- (c) any Shareholder, to any person approved by Shareholders holding 75% of all voting shares;
- (d) a Shareholder which is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **"Investment Fund"**) or is a nominee of that Investment Fund (including for the avoidance of doubt the Investors and HHL):
 - (i) to any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
 - (ii) any Investment Fund managed or advised by that Fund Manager; or
 - (iii) any trustee, nominee or custodian of such Investment Fund and vice versa.;

"Primary Shareholder" means:

- (i) the DB Investor Group (acting by David Brock), the MTA Investors (acting by (a) the MTA Director, if appointed, or (b) if no MTA Director is appointed, the holders of a majority of the Shares held by all of such shareholders) and HH VCT; and
- (ii) any other shareholder designated by the Primary Shareholders as a Primary Shareholder, in each case for so long as that party holds not less than 5% of the number of Shares in the issued share capital of the Company from time to time;

"Primary Shareholder Consent"

means the consent of all Primary Shareholders, with the DB Investor Group (acting by David Brock), MTA Investors

	(acting by (a) the MTA Director, if appointed, or (b) if no MTA Director is appointed, the holders of a majority of the Shares held by all of such shareholders) and HH VCT representing one vote each;
"Privileged Relation"	in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue);
"Proceeds of Sale"	means the consideration payable (including any deferred and/or contingent consideration and any other consideration which, having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale;
"Prohibited Control"	<p>as such expression is defined by section 296 of Chapter 4, part 6 of ITA by reason of the operation of section 450 and 451 of CTA 2010 (but not an Exit) and such control being a VCT Shareholder (or any other Shareholder which is a body corporate) having a majority of any of:</p> <p>(a) the issued share capital (as measured by nominal value);</p> <p>(b) voting rights;</p> <p>(c) rights to receive dividends; or</p> <p>(d) rights to assets of the Company on a winding up;</p>
"Recognised Investment Exchange"	an investment exchange recognised by the Financial Conduct Authority under Part XVIII of the Financial Services and Markets Act 2000, such that a recognition order is in force in respect of it;
"Relevant Loss"	any loss or liability which has been or may be incurred by a Relevant Officer in

	connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company);
"Relevant Officer"	any director or other officer of any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor;
"Relevant Securities"	any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than: <ul style="list-style-type: none"> (a) any Shares or other securities issued by the Company in order for the Company to comply with its obligation under these Articles and/or the Investment Agreement; and (b) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Primary Shareholder Consent;
"Relevant Shares"	in relation to an Employee means any shares issued from the Share Pool whether held by the Employee or any Permitted Transferee of such Employee;
"Sale Shares"	has the meaning given in Article 21.2(a);
"Seller"	has the meaning given in Article 21.2;
"Share Pool"	44,123,652 <u>40,400,938</u> Shares to be allotted to certain employees and advisors of the Company, as determined by the remuneration committee appointed by the Directors with Primary Shareholder Consent;
"Share Sale"	the acceptance of an offer or the making of an agreement pursuant to which any person (or persons connected with each

	other or acting in concert with each other) is or will become unconditionally the beneficial owner of (whether through a single transaction or a series of transactions) in the case of an offer not less than ninety (90) per cent. (%) in number of, and in the case of an agreement all of, the Shares;
"Shareholder"	a holder for the time being of Shares of any class in the Company;
"Shares"	shares (of any class) in the capital of the Company;
"subsidiary"	in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company;
"Termination Date"	<p>(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;</p> <p>(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;</p> <p>(c) where an Employee dies, the date of his death;</p> <p>(d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or</p> <p>(e) in any other case, the date on which the employment or holding of office is terminated;</p>
"Transfer Notice"	has the meaning given in Article 21.2;
"Transfer Price"	has the meaning given in Article 22.1;

“Unanimous Board Approval”	approval in relation to any matter (i) by unanimous vote at a duly constituted and held meeting of the Board at which all Directors are present, or (ii) by unanimous written consent of the Directors;
“VCT Shareholder”	a Shareholder who is a VCT as defined under section 259 of the Income and Taxes Act 2007; or
“Very Bad Leaver”	a person who ceases to be an Employee as a consequence of that person’s dismissal as an Employee is pursuant to the lawful termination of that person’s contract of employment without notice or payment in lieu of notice as a consequence of that person’s fraud, gross negligence or gross misconduct.

1.2 A reference in these Articles to:-

- (a) an Article is a reference to the relevant numbered article of these Articles; and
- (b) a model article is a reference to the relevant article;

unless expressly provided otherwise.

1.3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).

1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa.

1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- (a) any subordinate legislation from time to time made under it; and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

2 Adoption of the Model Articles

- 2.1 The Model Articles (together with those provisions of Schedule 3 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) referred to in model article 26) shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model articles 7, 8, 9(1), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 21, 22, 24, 26(5), 38, 39, and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model article 20 shall be amended by the insertion of the words “and the secretary” before the words “properly incur”.
- 2.4 In model article 25(2)(c), the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.
- 2.5 Model article 29 shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 29(2),” after the words “the transmittee’s name”.

DIRECTORS

3 Number of Directors

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than three and not be more than five.

4 Proceedings of Directors

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 4.2 (subject to Article 4.3 and Article 4.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be decided by at least a majority of votes.
- 4.2 A decision of the Directors is taken when a majority of the Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with Article 4.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4 A decision may not be taken in accordance with Article 4.2 if the Eligible Directors would not have formed a quorum at a Directors’ meeting to vote on the matter in accordance with Article 4.6 and Article 4.7.
- 4.5 At least 10 meetings of the Directors shall take place in any calendar year. Any Director may call a meeting of the Directors, or authorise the company

secretary (if any) to give such notice. At least seven days' advance notice in writing of each such meeting shall be given to each Director (except with Unanimous Board Approval, when meetings of the Directors may take place less frequently or on shorter notice).

4.6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors which shall include the Chairman unless:

- (a) there is no Chairman in office for the time being; or
- (b) the Chairman has, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting; or
- (c) such Chairman is not, in respect of any particular meeting (or part of a meeting), an Eligible Director,

in which case, subject to Article 4.7, the quorum for such meeting (or part of the meeting, as the case may be) shall be any other two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Eligible Director(s) present determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed.

4.7 For the purposes of any meeting (or part of a meeting) held pursuant to Article 8 to authorise a Conflict (as defined in Article 8.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

4.8 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to call a general meeting so as to enable the Shareholders to appoint further Directors.

4.9 Questions arising at any meeting of the Directors shall be decided by a majority of votes. The Chairman shall not have a second or casting vote.

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

5 Appointment and Removal of Directors

Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

- 5.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;
- 5.2 save in relation to an Investor Director, a director can be removed from office with Unanimous Board Approval (and in obtaining such approval the director who is the subject of the vote shall not take part in such vote).; and

5.3 in the case of an executive Director only, his employment with the Company or other Group Company (as appropriate) was terminated pursuant to the terms of his employment contract on any of the following grounds (however so expressed in their employment contract from time to time):

- (a) he is guilty of negligence (entitling the Company to dismiss the Director following a disciplinary process carried out pursuant to this employment contract), fraud or gross misconduct; or
- (b) he is convicted of any criminal offence (other than an offence under any road traffic legislation in the United Kingdom or elsewhere for which a fine or non-custodial penalty is imposed); or
- (c) he is disqualified as acting as a director; or
- (d) he becomes of unsound mind (which includes lacking capacity under the Mental Capacity Act 2005), or a patient under any statute relating to mental health; or
- (e) is declared bankrupt or makes any arrangement with or for the benefit of his creditors or has a county court administration order made against him under the County Court Act 1984;

and he does not continue as an Employee of any other Group Company.

6 MTA Director, DB Director, Chairman and Hargreave Hale Director

6.1 For so long as they hold at least 3% of the issued Equity Shares of the Company (for the avoidance of doubt by virtue of holding any class of share), the MTA Investors may at any time by notice in writing served on the Company nominate one person to be a director of the Company (an '**MTA Director**') and may similarly require the removal from office of any such person and appoint another person in his or her place. Immediately upon service of any such notice the Company will procure the appointment or removal (as the case may be) of an MTA Director who is the subject of such notice with effect from the date of receipt by the Company of the notice.

6.2 For so long as they hold at least 3% of the fully diluted share capital of the Company (for the avoidance of doubt by virtue of holding any class of Equity Share), Hargreave Hale may at any time by notice in writing served on the Company:

- (a) nominate one person to:
 - (i) be a director of the Company (a '**Hargreave Hale Director**') and may similarly require the removal from office of any such person and appoint another person in his or her place. Immediately upon service of any such notice the Company will procure the appointment or removal (as the case may be) of a Hargreave Hale Director who is the subject of such notice with effect from the date of receipt by the Company of the notice; and

- (ii) attend as an observer at each and any meeting of the Board and of each and any committee of the Board and who will be entitled to speak at any such meetings but will not vote; and
 - (b) nominate for Board approval or veto the appointment of up to two independent directors (who shall not be a current or former Hargreave Hale Director).
- 6.3 David Brock, for so long as he is not a Conflicted Shareholder or the Hargreave Hale Director, shall have the following appointment rights:
 - (a) for so long as the DB Investors together hold at least 3% of the issued Equity Shares of the Company (for the avoidance of doubt by virtue of holding any class of Equity Share), he may at any time by notice in writing served on the Company nominate one person to be a director of the Company (a 'DB Director') and may similarly require the removal from office of any such person and appoint another person in his or her place. Immediately upon service of any such notice the Company will procure the appointment or removal (as the case may be) of a DB Director who is the subject of such notice with effect from the date of receipt by the Company of the notice; and
 - (b) for so long as the DB Investors together hold at least 10% of the issued Equity Shares of the Company (for the avoidance of doubt by virtue of holding any class of Equity Share) and so long as he is a Director of the Company, he may at any time by notice in writing served on the Company nominate one person to be the Chairman of the Company and may similarly require the removal from office of any such person and appoint another person in his or her place. Immediately upon service of any such notice the Company will procure the appointment or removal (as the case may be) of the Chairman who is the subject of such notice with effect from the date of receipt by the Company of the notice).
- 6.4 Save for the circumstances set out in Article 6.3(b) above, the Hargreave Hale Director shall, subject to Primary Shareholder Consent, be appointed Chairman of the Company or, if he is not appointed Chairman, the appointment of the Chairman shall be decided by Unanimous Board Approval.
- 6.5 An Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that the Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee).
- 6.6 The reasonable expenses of each Investor Director shall be payable by the Company.

7 Transactions or other arrangements with the Company

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act and has the consent of the Chairman, a Director who is

in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8 Directors' Conflicts

- 8.1 The Directors may with the consent of the Chairman, in accordance with the requirements set out in this Article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 8.2 Any authorisation under this Article 8 will be effective only if:
 - (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

- 8.3 Any authorisation of a Conflict under this Article 8 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) subject to the consent of the Chairman, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 8.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 8.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 8.1 shall be necessary in respect of any such interest.
- 8.7 An Investor Director shall be entitled from time to time to disclose to any Investor (and to any Permitted Transferee of an Investor) such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 8.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he

derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9 Appointment and removal of alternate directors

9.1 Any Investor Director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, 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.

9.2 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.

9.3 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.

10 Rights and responsibilities of alternate directors

10.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

10.2 Except as the 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.

10.3 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 present (but only if that person's appointor is not participating);

- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
 - (c) shall not be counted as more than one director for the purposes of Articles 10.3(a) and (b).
- 10.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).
- 10.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

11 Termination of alternate directorship

- 11.1 An alternate director's appointment as an alternate terminates:
- (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.

12 Secretary

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

13 Prohibited Control

The Company, nor any Shareholder, including HHL (together with any Associated Company of HHL or any fund which is managed or advised by it or any of Associated Company or the nominee of any such entity) (the "**Hargreave Shareholder**"), may not take any measure that would result in the Hargreave Shareholder acquiring Prohibited Control of the Company. The assessment on whether any measure would result in the Hargreave Shareholder acquiring Prohibited Control of the Company shall take into account in making any such calculation any proceeds which the Hargreave Shareholder has received as a result of the repayment of any debt instrument by the Company.

SHARES AND DISTRIBUTIONS

14 Dividends

- 14.1 Subject to article 14.7, in respect of any Financial Year such percentage of the Available Profits of the Company shall be used to pay dividends as set out in this Article 14 as determined by the Directors.
- 14.2 The Company shall not declare or pay any dividend unless and until all arrears and accruals of the Company have been paid.
- 14.3 Subject to Articles 14.2 and 14.4, any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Shares (pari passu as if they constituted shares of the same class) pro rata to their respective holdings of those Shares.
- 14.4 No VCT Shareholder (or any other Shareholder which is a body corporate) shall have the right to receive more than 49.9% of any dividends declared and paid to Shareholders by the Company.
- 14.5 Subject to the Act, the Directors may pay interim dividends provided that the Available Profits of the Company justify the payment.
- 14.6 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 14.7 The Company shall procure that the profits of any other Group Company available for distribution shall from time to time (and to the extent lawful), be paid by way of dividend to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company) to the extent necessary to permit lawful and prompt payment by the Company of the dividend.
- 14.8 If there has been no Exit on or before 31 December 2022, then subject to (i) the Company reporting a minimum EBITDA of £2,000,000 in the previous 12 month period; (ii) net debt being less than one times EBITDA; and (iii) the Board approving the declaration of such dividend, the Company shall declare and pay a minimum dividend to Shareholders of 25 per cent of reported profit after tax in the previous 12 month period (unless otherwise agreed by Primary Shareholder Consent).

15 Liquidation

- 15.1 The Equity Shares shall have the voting rights set out in Article 29 and shall rank pari passu in all respects save as set out in Article 29 and this Article 15.
- 15.2 Subject to Article 15.3, in the event of a return of assets on a liquidation or capital reduction or otherwise, the Liquidation Surplus shall be distributed as follows:
 - (a) first, in paying to the holders of the Equity Shares as to 99.9% to the holders of E Ordinary Shares, F Ordinary Shares, I Ordinary Shares, J Ordinary Shares, K Ordinary Shares, L Ordinary Shares and M Ordinary

Shares and as to 0.1% to the holders of all of the other Equity Shares (the **“Non E/F/I/J/K/L/M Ordinary Shares”**), such that the holders of the E Ordinary Shares, F Ordinary Shares and I Ordinary Shares (as if they constituted one and the same class) have received an amount per E Ordinary Share, F Ordinary Share and I Ordinary Share equal to three times the Issue Price of such E Ordinary Share, F Ordinary Share or I Ordinary Share, the holders of the J Ordinary Shares and K Ordinary Shares (as if they constituted one and the same class) have received an amount per J Ordinary Share and K Ordinary Share equal to four times the Issue Price of such J Ordinary Share or K Ordinary Share and the holders of the L Ordinary Shares and M Ordinary Shares (as if they constituted one and the same class) have received an amount per L Ordinary Share and M Ordinary Share equal to one and a half times the Issue Price of such L Ordinary Share or M Ordinary Share, in each case together with all Arrears in respect thereof and to the holders of Non E/F/I/J/K/L/M Ordinary Shares an amount per Non E/F/I/J/K/L/M Ordinary Share equal to the Issue Price of such Non E/F/I/J/K/L/M Ordinary Share;

(b) second, in paying to the holders of the Equity Shares as to 99.9% to the holders of the D Ordinary Shares and G Ordinary Shares and as to 0.1% to the holders of all of the other Equity Shares (the **“Non D/G Ordinary Shares”**), such that:

- (i) the holders of the D Ordinary Shares have received an amount per D Ordinary Share equal to 90% of the Issue Price of that D Ordinary Share, subject to a maximum distribution to the holders of the D Ordinary Shares under this Article 15.2(b)(i) and Article 15.2(c) of £0.119 per D Ordinary Share;
- (ii) the holders of the G Ordinary Shares have received an amount equal to 9.9% of the D Aggregate Subscription Price, subject to a maximum distribution to the holders of the G Ordinary Shares under this Article 15.2(b)(ii) and Article 15.2(c) of £0.015 per G Ordinary Share; and
- (iii) an amount shall be paid to the holders of the Non D/G Ordinary Shares pro rata to the number of Non D/G Ordinary Shares held (as if they constituted one and the same class) that is equal to 0.1% of the aggregate amount distributed under this Article 15.2 (b), and be calculated as follows:

0.001 divided by 0.999 and multiplied by the total aggregate amount distributed under Articles 15.2 (b) (i) and (ii);

(c) third, in paying any remaining Liquidation Surplus after the distributions have been made pursuant to Articles 15.2(a) and (b) (the **“Excess Primary Return”**) to the holders of the Equity Shares as to 99.9% to the holders of the D Ordinary Shares and G Ordinary Shares and as to 0.1% to the holders of the Non D/G Ordinary Shares, such that:

- (i) the holders of the G Ordinary Shares have received an amount equal to 90% of the Excess Primary Return, subject to a maximum distribution to the G Ordinary Shares under Articles

15.2(a) and (b) and this Article 15.2 (c) of £0.03 per G Ordinary Share;

- (ii) the holders of the D Ordinary Shares have received 9.9% of the Excess Primary Return distributed amongst the D Ordinary Shares, subject to a maximum distribution to the D Ordinary Shares under this Article 15.2(c)(ii) of £0.0133 per D Ordinary Share; and
 - (iii) 0.1% of the Excess Primary Return shall be paid to the Non D/G Ordinary Shares pro rata to the number of Non D/G Ordinary Shares held (as if they constituted one and the same class), subject to a maximum distribution to the Non D/G Ordinary Shares under this Article 15.2(c)(iii) of £0.0001 per Non D/G Ordinary Share;
- (d) fourth, any remaining balance shall be distributed to the holders of the Equity Shares as to 99.9% to the holders of the Founder Ordinary Shares, the Original A Ordinary Shares, B Ordinary Shares and C Investment Shares (the “**Non D/E/F/G/H/I/J/K/L/M Shares**”) and as to 0.1% to the holders of all other Equity Shares such that the holders of the Non D/E/F/G/H/I/J/K/L/M Shares (as if they constituted one and the same class) have received a maximum amount under Articles 15.2(a), (b), (c) and this Article 15.2(d) of £0.01 per share held; and
- (e) the balance of the Liquidation Surplus after the distributions have been made pursuant to Articles 15.2(a), (b), (c), (d) (if any) shall be paid to the Equity Shareholders on a pro-rata basis (as if the Shares constituted one and the same class) to the number of Shares held.

In respect of each of the above limbs, if there is insufficient Liquidation Surplus to pay in full the amount due to each Shareholder in such limb, such Liquidation Surplus that is available shall be distributed to the Shareholders pro rata to the amounts due to them under such limb.

- 15.3 No VCT Shareholder (or any other Shareholder which is a body corporate) shall receive more than 49.9% of the Liquidation Surplus and in the event that a distribution of Liquidation Surplus pursuant to Article 15.2 would result in this occurring, such excess amount of 49.9% which would otherwise be received by a VCT Shareholder shall instead be distributed to all Equity Shareholders (other than any VCT Shareholder) on a pro rata basis.

16 Disposal Provisions

- 16.1 On a Share Sale the Proceeds of Sale shall, subject to Article 16.3, be distributed in the order of priority set out in Article 15.2 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:
- (a) 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 in Articles 15.2 and 16.3; and

- (b) the Shareholders shall take any action required by the E Ordinary Shareholder(s) to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Articles 15.2 and 16.3.

16.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall, subject to Article 16.3, be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 15.2 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the E Ordinary Shareholder(s) (including, but without prejudice to the generality of this Article 16.2, actions that may be necessary to put the Company into voluntary liquidation so that Article 15.2 applies).

16.3 On a Share Sale or Asset Sale, after the Excess Primary Return has been distributed pursuant to Article 15.2(c), any remaining balance of the Excess Primary Return shall be distributed to the holders of the Equity Shares as to 99.9% to the holders of the H Ordinary Shares pro rata to the Issue Price of such H Ordinary Shares (subject to each holder of H Ordinary Shares receiving a maximum of £0.01 per H Ordinary Share) and as to 0.1% to the holders of the other Equity Shares (the “Non H Ordinary Shares”), on a pro-rata basis to the number of Non H Ordinary Shares held as if they constituted one and the same class (subject to each holder of Non H Ordinary Shares receiving a maximum of £0.01 per Non H Ordinary Share).

17 Variation of Class Rights

Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class.

18 Pre-emption Rights on the Issue of Further Shares

18.1 Save to the extent authorised by these Articles, the Directors shall not, save with the consent of the holders of 75% of Equity Shares (excluding the C Investment Shares), exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security.

18.2 The Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into; and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

18.3 The authority referred to in Article 18.2:

- (a) shall be limited to a maximum nominal amount of ~~£582,817.03~~577,694.95 (comprising ~~58,281,703~~57,769,495 Equity Shares, made up of 17,980,363 L Ordinary Shares and/or M Ordinary Shares and ~~40,301,340~~39,789,132 H Ordinary Shares) and this authority shall be in substitution for all existing authorities to the extent unused;
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the date of the adoption of these Articles save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot such Shares in pursuance of an offer or agreement as if such authority had not expired).

18.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

18.5 Subject to article 18.2 if the Company proposes to allot any Relevant Securities (other than the Shares referred to in article 18.3 (a) above), those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Shares (other than the holders of C Investment Shares) (each an “Offeree”) on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by each such holder bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.

18.6 An offer made under Article 18.5 shall:

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
- (b) remain open for a period of 20 Business Days from the date of service of the offer; and
- (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 18.5 shall, in his acceptance, state the number of excess Relevant Securities (“Excess Securities”) for which he wishes to subscribe.

- 18.7 If, on the expiry of an offer made in accordance with Article 18.5, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 18.8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 18.5 shall be used to satisfy any requests for Excess Securities made pursuant to Article 18.6(c). If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by such applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him).
- 18.9 If, after completion of the allotments referred to in Article 18.7 and 18.8, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall be offered to the Offerees who applied for some Relevant Securities under the procedure set out in Articles 18.5 to 18.8, (pro-rata to their existing Shareholder (as if they constituted one class of share), and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person. Such offer shall be made in accordance with article 18.6 and the provisions of Article 18.7 and Article 18.8 shall, with necessary modifications, apply to such offer.
- 18.10 If, after completion of the allotments referred to in articles Article 18.7, Article 18.8 and Article 18.9, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to Article 18.11 be offered to any other person(s) as the Directors may with the consent of the Chairman, determine, at the same price and on the same terms as the offer to the Shareholders.
- 18.11 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

19 Transfers of Shares : General

- 19.1 Reference to the transfer of a Share in these Articles includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 19.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 19.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 19.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Unanimous Board Approval to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

- 19.4 Any transfer of a Share by way of sale which is required to be made under Article 23, Article 24 or Article 25 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 19.5 The Directors may, as a condition to the registration of any transfer of Shares, (acting with Unanimous Board Approval) require the transferee to execute and deliver to the Company a deed, in favour of the Company and the Investors agreeing to be bound by the terms of the Investment Agreement in force between any of the Shareholders and the Company, in such form as the Directors (acting with Unanimous Board Approval) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor) provided that this requirement shall not apply to B Ordinary Shares allotted to new shareholders after 22 December 2014. If any condition is imposed in accordance with this Article 19.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 19.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Investor Director, require:
- (a) any holder (or the legal representatives of a deceased holder); or
 - (b) any person named as a transferee in a transfer lodged for registration; or
 - (c) such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 19.7 If any such information or evidence referred to in Article 19.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including the Chairman) within 10 Business Days of receipt of such written notice, then, unless acting with Unanimous Board Approval:
- (a) the relevant Shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares; or
 - (iii) to participate in any future issue of Shares issued in respect of those Shares; and

- (b) the Directors (including an Investor Director) may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).
- 19.8 The Directors may (acting with Unanimous Board Approval) reinstate the rights referred to in Article 18.7(a) at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to Article 19.7(b).
- 19.9 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
 - (a) it does not contain a Minimum Transfer Condition; and
 - (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).
- 19.10 Any Transfer Notice (but not an Offer Notice (as defined in Article 24) or a Drag Along Notice (as defined in Article 25)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Unanimous Board Approval to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

20 Permitted Transfers of Shares

- 20.1 Any holder of C Investment Shares shall be entitled to transfer or transmit C Investment Shares to such persons and at such prices as they see fit, provided that such transfer is in respect of the entire holding of C investment Shares to a single transferee (other than with prior Unanimous Board Approval).
- 20.2 Subject to Article 20.3, Shareholders may transfer their shareholding to a Permitted Transferee.
- 20.3 If the Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Shareholder, transfer the Shares held by it to the Shareholder without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 20.3, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 20.3.
- 20.4 If a Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of that Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of that Shareholder (whether by reason of death, divorce or otherwise) either:
 - (a) execute and deliver to the Company a transfer of the Shares held by him to the Shareholder (or to any Permitted Transferee of the

Shareholder) for such consideration as may be agreed between them;
or

- (b) give a Transfer Notice to the Company in accordance with Article 23.

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 20.4.

21 Pre-emption Rights on the Transfer of Shares

21.1 Except where the provisions of Article 20 (Permitted Transfers), Article 24.4 (Tag Along) or Article 25.6 (Drag clause) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 21. For the avoidance of doubt, this Article 21 shall not apply in respect of any transfer of C Investment Shares.

21.2 Other than in the case of a transfer of Shares directly between the Investors and for the avoidance of any doubt any Permitted Transfer pursuant to article 20, a Shareholder who wishes to transfer Shares (a **"Seller"**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **"Transfer Notice"**) to the Company specifying:

- (a) subject to Article 19.9(b), the number of Shares he wishes to transfer (**"Sale Shares"**);
- (b) the name of the proposed transferee, if any;
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **"Proposed Sale Price"**); and
- (d) subject to Article 19.9(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **"Minimum Transfer Condition"**).

21.3 Once given, a Transfer Notice may only be withdrawn with Primary Shareholder Consent.

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

21.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 21.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 21 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

21.6 If the Sale Shares are held by the Investors, the Company shall offer them in the following order of priority:

- (a) first, to the Investors; and
- (b) second, to the holders of Founder Ordinary Shares and Original A Ordinary Shares;

in each case on the basis set out in Article 21.8 to Article 21.15 (inclusive).

21.7 If the Sale Shares are held by the Founders, the Company shall offer them in the following order of priority:

- (a) first, to the holders of Founder Ordinary Shares and Original A Ordinary Shares;
- (b) second, to the Investors,

in each case on the basis set out in Article 21.8 to Article 21.15 (inclusive).

21.8 The Directors shall offer the Sale Shares in the orders of priorities referred to in Articles 21.6 or 21.7 (as appropriate) commencing with the Shareholders prescribed in limb (a) of Articles 21.6 or 21.7 (as relevant) ("**Offer Shareholders**") (other than the Seller) the Directors shall invite them to apply in writing within the period from the date of the offer to the date 30 Business Days after the offer (both dates inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.

21.9 If:

- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with Article 21.9(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 21.9(a) mutatis mutandis ignoring for this purpose those Offer Shareholders who have not applied for more than their relevant proportion of the Sale Shares. The procedure set out in this Article 21.9(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

- (c) at the end of the offer periods referred to in (a) and (b) above, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Offer Shareholders in accordance with their applications;
- (d) there is any balance of Sale Shares unallocated (the “**Surplus Shares**”) such shares shall be offered to the Shareholders prescribed in limb (b) of Articles 21.6 or 21.7 (as relevant) (other than the Seller) inviting them to apply in writing to buy the Surplus Shares, following the procedures and offer periods set out in Article 21.9 mutatis mutandis; and
- (e) at the end of all offer periods referred to above, there are unallocated Sale Shares they shall be dealt with in accordance with article 21.14.

21.10 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under Article 21.6 to 21.7 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under Article 21.8 and 21.9 is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

21.11 Where either:-

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Articles 21.8 and 21.9, give notice in writing of the allocations of Sale Shares (an “**Allocation Notice**”) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an “**Applicant**”). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

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

21.13 If the Seller fails to comply with Article 21.12:

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller);

- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Sale Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares) to the Company.

21.14 Where a Transfer Notice lapses pursuant to Article 21.10(b) where an Allocation Notice does not relate to all the Sale Shares then the Seller may, with Primary Shareholder Consent, at any time during the 10 Business Days following the date of service of the Allocation Notice, transfer any Sale Shares not the subject of an Allocation Notice only to any person at a price at least equal to the Transfer Price. The sale of such Sale Shares in accordance with this Article 21.14 shall not be subject to any Minimum Transfer Condition.

21.15 The Seller's right to transfer Sale Shares under Article 21.14 does not apply if the Directors reasonably consider that:

- (a) the transferee is a person (or a nominee for a person) whom the Investors determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 21.15(b).

22 Valuation

22.1 The "Transfer Price" for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall (save where expressly provided otherwise in these Articles) be:

- (a) the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with the consent of the Chairman, and the Seller; or
- (b) in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of

the facts giving rise to such deemed service), the Fair Value of each Sale Share.

- 22.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
 - (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) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 22.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 22.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 22.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 22.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 22.7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 22.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
- (a) the Seller withdraws the relevant Transfer Notice in accordance with Article 21.3; or

- (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

23 Compulsory Transfers

- 23.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors, may determine.
- 23.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 23.3 If there is a change in control (as "control" is defined in section 995 of the Income Tax Act 2007) 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 name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee, it shall first be permitted to transfer those Shares back to the Shareholder from whom it received its Shares or to any other Permitted Transferee of that Shareholder before being required to serve a Transfer Notice. This Article 23.3 shall not apply to a Shareholder that is an Investor.
- 23.4 If an Employee becomes a Departing Employee after the Adoption Date and is a Bad Leaver or a Very Bad Leaver, a Transfer Notice shall, unless the Directors (with Unanimous Board Approval) otherwise direct in writing in respect of any particular Relevant Shares prior to or within 30 Business Days after the relevant Termination Date, be deemed to have been served (i) on the relevant Termination Date in respect of all Relevant Shares held on that date and (ii) in respect of any Relevant Shares acquired upon exercise of an option following the Termination Date, on the date of such acquisition (each a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 23.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall:
 - (a) in the case of a Bad Leaver, be the aggregate Fair Value of such Relevant Shares; and
 - (b) in the case of a Very Bad Leaver, be the aggregate nominal value of the Relevant Shares.

- 23.6 For the avoidance of any doubt, a Departing Employee who is a Good Leaver shall not be required to serve or otherwise be deemed to have served a Transfer Notice.

24 Tag Along

- 24.1 If the holders of Shares receive an offer from a bona fide arm's-length purchaser (the "**Buyer**") for more than 50% of the Shares in issue (the "**Proposed Transfer**"), the relevant holders of Shares shall procure that prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the "**Offer**") to each Shareholder on the date of the Offer, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration in cash per Share (the "**Offer Price**") which is equal to the price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer of any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer.
- 24.2 The Offer shall be made by notice in writing (an "**Offer Notice**") addressed to each Shareholder on the date of the Offer at least 20 Business Days (the "**Offer Period**") before the date fixed for completion of the Proposed Transfer (the "**Sale Date**"). The Offer Notice shall specify:
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
 - (b) the Offer Price and any other terms and conditions of the Offer;
 - (c) the Sale Date; and
 - (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.
- 24.3 The completion of the Proposed Transfer shall be conditional in all respects on:
- (a) the making of an Offer in accordance with this Article 24; and
 - (b) the completion of the transfer of any Shares by any Shareholder (each an "**Accepting Shareholder**") who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 24.
- 24.4 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this Article 24 shall not be, subject to the pre-emption provisions of Article 21.

25 Drag Along

- 25.1 If the holders of 75% of the Equity Shares and holders of 75% of the voting shares and with Unanimous Board Approval (the "**Selling Shareholders**") wish to transfer all of their interest in Shares ("**Sellers' Shares**") to a bona fide

arm's-length purchaser ("**Proposed Buyer**"), the Selling Shareholders shall have the option ("**Drag Along Option**") to require all the other holders of Shares on the date of the request ("**Called Shareholders**") to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 25.

- 25.2 The Selling Shareholder may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholder (**Drag Along Notice**) at any time before the transfer of his Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the Called Shareholder is required to transfer all of its Called Shares pursuant to this Article 25;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the Shares but subject to the provisions of Article 16 (Disposal Provisions); and
 - (d) the proposed date of the transfer.
- 25.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholder has not sold their Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice in respect of it. The Selling Shareholder may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 25.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this Article 25 and in Article 18.4 and in the case of the Shares other than the C Investment Shares, no Drag Along Notice shall be enforceable against any Shareholder (other than a holder of C Investment Shares) unless the consideration being offered by the Proposed Buyer to such Shareholders for their Shares is either:
- (a) cash; or
 - (b) to be satisfied by the issue and allotment of shares or other tradable securities in the Proposed Buyer (or member of the Proposed Buyer's group) which are admitted to trading on a Recognised Investment Exchange and which are not subject to any restriction or lock-in preventing their immediate disposal on completion of the Exit.
- 25.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Shares unless:
- (a) the Selling Shareholder and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or

- (b) that date is less than 15 Business Days after the date on which the Drag Along Notice is served in which case the Completion Date shall be the 15 Business Day after service of the Drag Along Notice.
- 25.6 Neither the proposed sale of the Shares by the Selling Shareholder to the Proposed Buyer or the sale of the Called Shares by the Called Shareholder shall be subject to the rights of pre-emption set out in Article 20, or the tag along rights of Article 24.
- 25.7 Within 10 Business Days of the Selling Shareholder serving a Drag Along Notice on the Called Shareholder, the Called Shareholder shall deliver a stock transfer form for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that 10 Business Day period, the Company shall pay the Called Shareholder, on behalf of the Proposed Buyer, the amounts due pursuant to Article 25.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder in trust for the Called Shareholder without any obligation to pay interest.
- 25.8 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period referred to in Article 25.7, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholder shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholder shall have no further rights or obligations under this Article 25 in respect of its Shares.
- 25.9 If the Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholder to be its agent to execute all necessary transfer(s) together with any documentation required to achieve a sale of all the Shares (including, if relevant, a share sale agreement with such warranties and indemnities and such tax covenant is given by the holders of the same class of share provided that the maximum liability of any Called Shareholder may not exceed his proceeds of sale) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) and other documentation to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 25.9.

26 Disenfranchisement

- 26.1 Subject to Article 26.2 and Article 35, in the event any Employee becomes a Departing Employee and is either a Bad Leaver or Very Bad Leaver, all Shares held by such person or his Permitted Transferees (and any Shares issued to him or his permitted transferees after the date he ceases to be a director and/or an employee and or consultant of the Company by virtue of the exercise of any right or option granted or arising or by the exercise of any pre-emption rights by him or his permitted transferees) shall cease to confer

the right to be entitled to receive notice of or attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company or exercise any specific rights attaching to such Shares whether pursuant to these Articles or any Investment Agreement or similar and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these articles or otherwise. Such rights shall be restored immediately upon a sale, a listing or the Company registering a transfer of such Employee's Shares or his permitted transferees' Shares pursuant to these Articles.

26.2 The provisions in Article 26.1 shall not apply to:

- (a) any Investor Director in relation to the Shares held by such Investor Director or, for the avoidance of doubt, any Shares held by any Investor; or
- (b) an Investor appointed as an employee, consultant or director, in relation to the Shares held by such Investor.

27 Co-Sale

27.1 If any Founder wishes to sell more than 20% of his or her shareholding pursuant to an offer from a bona fide arm's-length purchaser (the "**Buyer**") (the "**Proposed Transfer**"), that Founder shall procure that prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the "**Offer**") to each of the other Shareholders on the date of the Offer, to buy up to the equivalent percentage interest of those other Shareholders' shareholdings on the date of the Offer for a consideration in cash per Share (the "**Offer Price**") which is equal to the price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer of any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer.

27.2 The Offer shall be made by notice in writing (an "**Offer Notice**") addressed to each Shareholder on the date of the Offer at least 20 Business Days (the "**Offer Period**") before the date fixed for completion of the Proposed Transfer (the "**Sale Date**"). The Offer Notice shall specify:

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
- (b) the Offer Price and any other terms and conditions of the Offer;
- (c) the Sale Date; and
- (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.

27.3 The completion of the Proposed Transfer shall be conditional in all respects on:

- (a) the making of an Offer in accordance with this Article 26; and

- (b) the completion of the transfer of any Shares by any Shareholder (each an **"Accepting Shareholder"**) who accepts the Offer within the Offer Period,

and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 27.

- 27.4 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this Article 27 shall not be, subject to the pre-emption provisions of Article 21.

DECISION MAKING BY SHAREHOLDERS

28 General Meetings

- 28.1 No business other than, subject to Article 27, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 28.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

29 Voting

- 29.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- 29.2 The C Investment Shares shall have no voting rights attached to them, and holders of C Investment Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.3 The F Ordinary Shares shall have no voting rights attached to them, and holders of F Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.4 The G Ordinary Shares shall have no voting rights attached to them, and holders of G Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.5 The H Ordinary Shares shall have no voting rights attached to them, and holders of H Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.

- 29.6 The I Ordinary Shares shall have no voting rights attached to them, and holders of I Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.7 The K Ordinary Shares shall have no voting rights attached to them, and holders of K Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.8 The M Ordinary Shares shall have no voting rights attached to them, and holders of M Ordinary Shares shall not have the right to receive notice of any general meetings, or have the right to attend and speak at such general meetings.
- 29.9 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 29.10 Model article 44(3) shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that model article.
- 29.11 Model article 45(1) shall be amended by:
- (a) the deletion of model article 45(1)(d) and its replacement with the words “is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate”; and
 - (b) the insertion of the words “and a proxy notice which is not delivered in such manner shall be invalid as a new paragraph at the end of that model article.

30 Partly Paid Shares

Rights

- 30.1 Nil paid and partly paid Shares shall have the same rights as to voting, dividend and distribution as other Shares of the same class, save as determined from time to time by the Board with Primary Shareholder Consent.
- 30.2 The Board (with Primary Shareholder Consent) may deduct from any dividend or other sum payable in respect of any partly paid or nil paid Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of:
- (i) the fact and sum of any such deduction;

- (ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
- (iii) how the money deducted has been applied.

Lien

- 30.3 The Company shall have a first and paramount lien (the “**Company’s Lien**”) over every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share.
- 30.4 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.
- 30.5 The Directors (with Primary Shareholder Consent) 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.
- 30.6 Subject to the provisions of this Article 30, if:
- (a) a notice complying with Article 30.4 (a “**Lien Enforcement Notice**”) has been given by the Company in respect of a Share; and
 - (a) 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 (with Primary Shareholder Consent) decide.
- 30.7 A Lien Enforcement Notice:
- (b) 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;
 - (a) must specify the Share concerned;
 - (b) must require payment of the sum payable within 14 days of the notice;
 - (c) 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
 - (d) must state the Company’s intention to sell the Share if the notice is not complied with.
- 30.8 Where any Share is sold pursuant to this Article 30:

- (a) the Directors (with Primary Shareholder Consent) 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.
- 30.9 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 for lost certificate in a form acceptable to the Board (with Primary Shareholder Consent) 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.
- 30.10 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.

Call

30.11 Subject to these Articles and the terms on which Shares are allotted, the Directors (with Primary Shareholder Consent) may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) 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 (with Primary Shareholder Consent) decide to send the Call Notice.

30.12 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.
- 30.13 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.
- 30.14 Before the Company has received any call due under a Call Notice the Directors (with Primary Shareholder Consent) 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.
- 30.15 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.
- 30.16 Subject to the terms on which Shares are allotted, the Directors (with Primary Shareholder Consent) 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.
- 30.17 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.
- 30.18 If the due date for payment of such a sum as referred to in Article 30.17 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.
- 30.19 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 (with Primary Shareholder Consent) 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).
- 30.20 For the purposes of Article 30.19:

- (a) the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors (with Primary Shareholder Consent) 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 (with Primary Shareholder Consent); or
 - (iii) if no rate is fixed in either of these ways, five per cent. 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).

30.21 The Directors (with Primary Shareholder Consent) may waive any obligation to pay interest on a call wholly or in part.

30.22 The Directors (with Primary Shareholder Consent) may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

Forfeiture of Shares

30.23 A notice of intended forfeiture:

- (a) may be sent in respect of any Share for which there is an unpaid sum 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.

30.24 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 (with Primary Shareholder Consent) 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.

30.25 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.

30.26 Any Share which is forfeited in accordance with these Articles:

- (a) shall be deemed to have been forfeited when the Directors (with Primary Shareholder Consent) 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 (with Primary Shareholder Consent) think fit.

30.27 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 (with Primary Shareholder Consent) 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.

30.28 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled (with Primary Shareholder Consent) 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.

30.29 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 (with Primary Shareholder Consent) to authorise any person to execute the instrument of transfer.

30.30 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.
- 30.31 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.
- 30.32 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.

ADMINISTRATIVE ARRANGEMENTS

31 Notices

- 31.1 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 an Electronic Forum 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).
- 31.2 For the purposes of Article 31.1 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 31.2.
- 31.3 When any notice or communication is sent by means of Electronic Forum an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such Electronic Forum in accordance with Schedule 5 of the Act.
- 31.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
 - (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, two hours after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, chatroom, internet, intranet, extranet, blog online social network or forum, or other similar mechanism, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article 30.4, no account shall be taken of any part of a day that is not a working day.

- 31.5 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 31.6 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.
- 31.7 Each Shareholder and Director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on an Electronic Forum.

32 Share Certificates

- 32.1 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.
- 32.2 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.
- 32.3 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.

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

33 Indemnity and Insurance

- 33.1 Subject to Article 33.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation thereto; and
 - (ii) in relation to the Company's (or other Group Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act).

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

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 28.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

- 33.2 This Article 33 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

- 33.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

34 Data Protection

- 34.1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a "**Recipient**") for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.

- 34.2 The personal data that may be processed for such purposes under this Article 32 shall include any information which may have a bearing on the prudence

or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:

- (a) a Member of the Same Group as the Recipient (each a **“Recipient Group Company”**).
- (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
- (c) funds managed by any of the Recipient Group Companies.

34.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.

35 Prohibited Control

Notwithstanding any other provisions of these Articles, in the event that the rights attributable to the Shares held by any Shareholder (together with any persons connected with such holder (within the meaning of section 1122 of Corporation Tax Act 2010)) pursuant to the provisions of the Investment Agreement or Articles 14 (Dividends), 15 (Liquidation) or 29 (Voting) would operate in such a manner as to result in any holder of such shares being in Prohibited Control of the Company, such part of the rights of such Shareholder shall be waived so as to ensure that such Shareholder does not have Prohibited Control of the Company. For the purposes of this Article, **“Prohibited Control”** is defined by section 296 of Chapter 4, part 6 of ITA by reason of the operation of section 450 and 451 of CTA 2010 (but not an Exit).

36 Conversion Rights

36.1 Subject to Primary Shareholder Consent, David Brock shall be entitled, at any time following at least three months after ceasing to be a Conflicted Shareholder, by notice in writing to the Company, to require conversion into:

- (a) J Ordinary Shares of all (and not some only) of the K Ordinary Shares held by him and the other DB Investors at any time and those K Ordinary Shares shall convert once the conversion has been approved by Primary Shareholder Consent and on such date as determined by the Board; and
- (b) L Ordinary Shares of all (and not some only) of the M Ordinary Shares held by him and the other DB Investors at any time and those M Ordinary Shares shall convert once the conversion has been approved by Primary Shareholder Consent and on such date as determined by the Board,

(the **“Conversion Date”**).

36.2 Each holder of the relevant K Ordinary Shares or M Ordinary Shares (the **“Conversion Shares”**) shall deliver the certificate (or an indemnity for lost

certificate in a form acceptable to the Board) in respect of the Conversion Shares being converted to the Company at its registered office for the time being as a condition of the registration of the conversion into J Ordinary Shares or L Ordinary Shares as applicable (the “**Converted Shares**”).

36.3 On the Conversion Date:

- (a) the relevant K Ordinary Shares shall without further authority than is contained in these Articles stand converted into J Ordinary Shares on the basis of one J Ordinary Share for each K Ordinary Share held; and
- (b) the relevant M Ordinary Shares shall without further authority than is contained in these Articles stand converted into L Ordinary Shares on the basis of one L Ordinary Share for each M Ordinary Share held,

(the “**Conversion Ratio**”), and the relevant J Ordinary Shares and/or L Ordinary Shares resulting from that conversion shall in all other respects rank *pari passu* with the existing issued J Ordinary Shares and L Ordinary Shares respectively.

36.4 The Company shall on the Conversion Date enter the holder of the Conversion Shares on the register of members of the Company as the holder of the appropriate number of Converted Shares and, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Conversion Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Converted Shares.

36.5 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:

- (a) if Conversion Shares remain capable of being converted into new Converted Shares and there is a consolidation and/or sub-division of the existing J Ordinary Shares or L Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board is fair and reasonable, to maintain the right to convert so as to ensure that each holder of Conversion Shares is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;
- (b) if Conversion Shares remain capable of being converted into Converted Shares, on an allotment of fully-paid J Ordinary Shares or L Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of J Ordinary Shares or L Ordinary Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board is

fair and reasonable, to maintain the right to convert so as to ensure that each holder of Conversion Shares is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

- 36.6 If any holder of Conversion Shares becomes entitled to fractions of a Converted Share as a result of conversion (the "**Fractional Holders**"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.
- 36.7 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with this Article, the Board shall refer the matter to the Company's Auditors for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.