

Company number 08276744

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

HONEST BREW LTD (**Company**)

15 August 2018 (**Circulation Date**)

**Pursuant to Chapter 2 of Part 13 of the Companies Act 2006**

**Passed on: 15 August 2018**

In accordance with the written resolution procedure in Chapter 2 of part 13 of the Companies Act 2006, the following resolution was duly passed as a special resolution (the "**Resolution**"):

**SPECIAL RESOLUTION**

- 1 THAT the articles of association contained in the document annexed to this written resolution (**New Articles**) be and are hereby adopted as the articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association of the Company.

Andrew Reeve

**Andrew Reeve**

**Director, for and on behalf of**

**Honest Brew Ltd**

**Dated:** 15 August **2018**



Adopted by Special Resolution on 15 August 2018

## Articles of Association of Honest Brew Limited

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COMPANY NUMBER 08276744  
THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
HONEST BREW LIMITED

(Adopted by special resolution passed on 15 August 2018)

INTRODUCTION

1 Interpretation

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

<b>"A Ordinary Shares"</b>	the A ordinary shares of £0.01 each in the capital of the Company;
<b>"A Shareholders"</b>	the holders of A Ordinary Shares;
<b>"Act"</b>	the Companies Act 2006;
<b>"Adoption Date"</b>	the date of adoption of these Articles;
<b>"Articles"</b>	the Company's articles of association for the time being in force;
<b>"Associated Company"</b>	in relation to: <ul style="list-style-type: none"><li>(a) any one company (the <b>"First Company"</b>) any company which is a holding company of, a subsidiary of, or a subsidiary of a holding company, of the First Company, or</li><li>(b) an individual, any company which the individual has a Controlling Interest in;</li></ul>
<b>"Available Profits"</b>	profits available for distribution within the meaning of part 23 of the Act;
<b>"B Ordinary Shares"</b>	the B ordinary shares of £0.01 each in the capital of the Company;

<b>“Bad Leaver”</b>	<p>a person who ceases to be an Employee as a consequence of:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(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;</li> </ul>
<b>“Board”</b>	in relation to the Company, its board of directors from time to time;
<b>“Business Day”</b>	any day (other than a Saturday, Sunday or public holiday in the United Kingdom);
<b>“Call”</b>	has the meaning given to it in Article 28.3;
<b>“Call Notice”</b>	has the meaning given to it in Article 28.3;
<b>“Chairman”</b>	the chairman of the board of Directors appointed under Article 6.5;
<b>“C Investment Shares”</b>	the C investment shares of £0.01 each in the capital of the Company;
<b>“Companies Acts”</b>	has the meaning given to it in the Act;
<b>“Company”</b>	Honest Brew Limited (Company Number 08276744);
<b>“connected”</b>	has the meaning given in section 252 of the Act;
<b>“Controlling Interest”</b>	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;

<b>“D Ordinary Shares”</b>	the D ordinary shares of £0.01 each in the capital of the Company;
<b>“Deemed Transfer Notice”</b>	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles;
<b>“Departing Employee”</b>	an Employee who ceases to be an employee of any Group Company;
<b>“Directors”</b>	the directors of the Company from time to time including the Investor Director;
<b>“Disposal”</b>	the disposal by the Company of all, or a substantial part of, its business and assets;
<b>“Electronic Forum”</b>	a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism;
<b>“Eligible Director”</b>	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
<b>“Employee”</b>	an individual who is, or has been, an employee of, or who does provide or has provided consultancy services to, any Group Company (excluding any Investor);
<b>“Exit”</b>	either a Sale or IPO;
<b>“Financial Year”</b>	an accounting reference period (as defined in section 391 of the Act) of the Company;
<b>“Founders”</b>	Andrew Reeve and Annabel Causer;
<b>“Founder Director”</b>	any director appointed in accordance with Article 6.4;
<b>“Fund Manager”</b>	a person whose principal business is to make, manage or advise upon investments in securities;
<b>“Good Leaver”</b>	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);

<b>“Group”</b>	the Company and its subsidiaries (if any) from time to time and <b>Group Company</b> shall be construed accordingly;
<b>“Hargreave Consent”</b>	the prior consent in writing of the holders of D Ordinary Shares;
<b>“Hargreave Hale”</b>	Hargreave Hale Limited incorporated and registered in England with company number 03146580 whose registered office is at Talisman House, Boardmans Way, Blackpool, FY4 5FY;
<b>“Hargreave Hale Director”</b>	any director appointed as a director of the Company in accordance with Article 6.3;
<b>“HHL”</b>	Hargreave Hale Limited incorporated and registered in England with company number 03146580 whose registered office is at Talisman House, Boardmans Way, Blackpool, FY4 5FY;
<b>“holding company”</b>	has the meaning given in section 1159 of the Act;
<b>“Independent Expert”</b>	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);
<b>“Investment Agreement”</b>	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 may have been varied, supplemented, adhered to or suspended in accordance with its terms (or these Articles) for the time being);

<b>“Investors”</b>	the holders for the time being of A Ordinary Shares, B Ordinary Shares and D Ordinary Shares and their Permitted Transferees;
<b>“Investor Consent”</b>	written consent from each of the New Investors;
<b>“Investor Director(s)”</b>	any MTA Director, Turning Point Director or Hargreave Hale Director;
<b>“Investor Shares”</b>	together the A Ordinary Shares, the B Ordinary Shares and the D Ordinary Shares;
<b>“IPO”</b>	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;
<b>“Issue Price”</b>	in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;
<b>“Member of the Same Group”</b>	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;
<b>“Minimum Transfer Condition”</b>	any reasonable conditions set by a Shareholder which must be satisfied before a sale of the Shares can be completed;
<b>“MTA Director”</b>	any director appointed as a director of the Company in accordance with Article 6.1;
<b>“MTA Investors”</b>	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;
<b>“Model Articles”</b>	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;
<b>“New Investors”</b>	has the meaning given in the Investment Agreement and their successors (as applicable);
<b>“Ordinary Shares”</b>	the ordinary shares of £0.01 each in the capital of the Company;
<b>“Permitted Transfer”</b>	a transfer of Shares made in accordance with Article 19;
<b>“Permitted Transferee”</b>	in relation to:- <ul style="list-style-type: none"> <li>(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 New Investors, HHL or Hargreave Hale Nominees Limited are acquired by a third party (including for the avoidance of any doubt where the New 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);</li> <li>(b) a Shareholder who is an individual, to that Shareholder's Privileged Relations;</li> <li>(c) any Shareholder, to any person approved by 75% of all Shareholders holding voting shares;</li> <li>(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 New Investors and HHL);</li> </ul>



(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.;

**“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);

**“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:

- (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 Investor Consent;

**“Relevant Shares”**

in relation to an Employee means:

(a) any shares issued from the Share Pool whether held by the Employee or any Permitted Transferee of such Employee; and

(b) where the relevant Termination Date arises within 12 months of 23 December 2014, all Shares held by:

- (i) the Employee in question; and
- (ii) any Permitted Transferee of that Employee (other than those Shares held by those persons that the New Investors declare themselves satisfied (by Investor Consent) were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee)

OR

where the relevant Termination Date arises within after 12 months but before the expiry of 2 years from 23 December 2014, 75% of the Shares (or as near as possible to 75% of the Shares without involving fractions) held by:

	(a) the Employee in question; and
	(b) any Permitted Transferee of that Employee (other than those Shares held by those persons that the New Investors declare themselves satisfied (by Investor Consent) were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee);
<b>“Sale”</b>	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;
<b>“Sale Shares”</b>	has the meaning given in Article 20.2(a);
<b>“Seller”</b>	has the meaning given in Article 20.2;
<b>“Share Pool”</b>	6,437,241 Ordinary Shares to be allotted to certain employees of the Company as determined by the Directors;
<b>“Shareholder”</b>	a holder for the time being of Shares of any class in the Company;
<b>“Shares”</b>	shares (of any class) in the capital of the Company;
<b>“subsidiary”</b>	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;
<b>“Termination Date”</b>	(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;  (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;

(c) where an Employee dies, the date of his death;

(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

(e) in any other case, the date on which the employment or holding of office is terminated;

<b>“Transfer Notice”</b>	has the meaning given in Article 20.2;
<b>“Transfer Price”</b>	has the meaning given in Article 21.1;
<b>“Turning Point Investors”</b>	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;
<b>“Turning Point Director”</b>	any director appointed as a director of the Company in accordance with Article 6.2;
<b>“Unanimous Board Approval”</b>	approval in relation to any matter by unanimous vote at a duly constituted and held meeting of the Board at which all Directors are present; or
<b>“Very Bad Leaver”</b>	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 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, 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 two.

#### **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 four Eligible Directors which shall include the Investor Directors in office for the time being and one of the Founder Directors, unless:
  - (a) there is no Investor Director in office for the time being and/or there is no Founder Director for the time being at the time of the meeting; or
  - (b) the Investor Directors and/or a Founder Director have, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting; or
  - (c) such Investor Directors or the Founder Directors are 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 and, for the avoidance of doubt, in the event that Article 4.6(a),(b) or (c) applies only in respect of one or two of the directors referred to in the subsections (but not all), the quorum of two Eligible Directors must include the Investor Directors and/or a Founder Director that are not prohibited from attending on the basis of Article 4.6(a),(b) or (c). 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 Chairman determines. 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. If either Founder is not present at any meeting of the Directors, the Founder who is present shall be entitled to exercise two votes.
- 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). For the avoidance of doubt if an attempt is made to remove the Founders simultaneously then the consent of a Founder would still be required); 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 and Chairman, Turning Point Director, Hargreave Hale Director and Founder Directors**

- 6.1 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 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 share), the Turning Point Investors may at any time by notice in writing served on the Company nominate one person to be a director of the Company (a '**Turning Point 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 Turning Point Director who is the subject of such notice with effect from the date of receipt by the Company of the notice.
- 6.3 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 share), Hargreave Hale may at any time by notice in writing served on the Company nominate one person to:
  - (a) 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
  - (b) 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.
- 6.4 Each of the Founders may at any time by notice in writing served on the Company nominate one person each to be a director of the Company (each



a 'Founder 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 Founder Director who is the subject of such notice with effect from the date of receipt by the Company of the notice. The right of a Founder to appoint a Founder Director pursuant to this Article shall cease to apply to a Founder who is a Bad Leaver or a Very Bad Leaver, unless agreed otherwise by Unanimous Board Approval (and in obtaining such approval the Founder who is leaving shall not take part in such vote).

- 6.5 One of the Investor Directors shall also be appointed Chairman of the Company, such appointment to be decided by Unanimous Board Approval and failing such agreement on the identity of the proposed Chairman, such appointment shall be decided by whichever Investor holds the largest shareholding in the Company on a fully diluted basis from time to time ("Largest Shareholder") (and for the avoidance of doubt, should that position change any new Largest Shareholder shall have the option to propose a change to the current Chairman and an alternative nominee, the removal of the current Chairman and appointment of the alternative nominee to be by Unanimous Board Approval and failing such agreement, by authority of the then Largest Shareholder).
- 6.6 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).
- 6.7 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.

## **SHARES AND DISTRIBUTIONS**

### **13 Dividends**

- 13.1 Subject to article 13.7, 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 13 as determined by the Directors.
- 13.2 The Company shall not declare or pay any dividend unless and until all arrears and accruals of the Company have been paid.
- 13.3 Subject to Article 13.2, 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.
- 13.4 Subject to the Act, the Directors may pay interim dividends provided that the Available Profits of the Company justify the payment.
- 13.5 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.
- 13.6 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.

- 13.7 If there has been no Exit on or before 20 December 2020, then subject to (i) the Company reporting a minimum EBITDA of £2,000,000 in the previous 12 month period; and (ii) net debt being less than one times EBITDA, 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 Hargreave Consent).

#### **14 Liquidation**

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in paying to the holders of the Shares in respect of each Share held, the Issue Price of that Share together with a sum equal to any arrears and accruals of dividend in respect of that Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Shares pro rata to the aggregate amounts due under this Article 14.

#### **15 Disposal Provisions**

On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) among the holders of the Shares *pari passu* as if they constituted shares of the same class pro rata to their respective holdings of Shares provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Directors (including, but without prejudice to the generality of this Article 15, such action as may be necessary to put the Company into voluntary liquidation so that Article 14 applies).

#### **16 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.

#### **17 Pre-emption Rights on the Issue of Further Shares**

- 17.1 Save to the extent authorised by these Articles, the Directors shall not, save with the consent of the holders of 75% of Shares (excluding the C Investment Shares), exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security.
- 17.2 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.

17.3 The authority referred to in Article 17.2:

- (a) shall be limited to a maximum nominal amount of
  - (i) £64,372.41 of Ordinary Shares (being 6,437,241 Ordinary Shares in respect of the Share Pool); and
  - (ii) £65,786.69 of D Ordinary Shares (being 6,578,669 D 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).

17.4 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.

17.5 Subject to article 17.2 if the Company proposes to allot any Relevant Securities (other than the Shares referred to in article 17.3 (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.

17.6 An offer made under Article 17.5 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 17.5 shall, in his acceptance, state the number of excess Relevant Securities ("Excess Securities") for which he wishes to subscribe.
- 17.7 If, on the expiry of an offer made in accordance with Article 17.5, 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.
- 17.8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 17.5 shall be used to satisfy any requests for Excess Securities made pursuant to Article 17.6(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).
- 17.9 If, after completion of the allotments referred to in Article 17.7 and 17.8, 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 17.5 to 17.8, (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 17.6 and the provisions of Article 17.7 and Article 17.8 shall, with necessary modifications, apply to such offer.
- 17.10 If, after completion of the allotments referred to in articles Article 17.7, Article 17.8 and Article 17.9, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to Article 17.11 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.
- 17.11 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.

## **18 Transfers of Shares : General**

- 18.1 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.



- 18.2 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 18.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 18.3 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.
- 18.4 Any transfer of a Share by way of sale which is required to be made under Article 22, Article 23 or Article 24 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 18.5 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 18.5, 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.
- 18.6 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.
- 18.7 If any such information or evidence referred to in Article 18.6 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).
- 18.8 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 18.7(b).
- 18.9 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).
- 18.10 Any Transfer Notice (but not an Offer Notice (as defined in Article 23) or a Drag Along Notice (as defined in Article 24)) 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.

## **19 Permitted Transfers of Shares**

- 19.1 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).
- 19.2 Subject to article 19.3, Shareholders may transfer their shareholding to a Permitted Transferee.
- 19.3 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 19.3, 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 19.3.

19.4 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 22.

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 19.4.

## 20 Pre-emption Rights on the Transfer of Shares

20.1 Except where the provisions of Article 19 (Permitted Transfers), Article 23.4 (Tag Along) or Article 24.6 (Drag clause) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 20. For the avoidance of doubt, this Article 20 shall not apply in respect of any transfer of C Investment Shares.

20.2 Other than in the case of a transfer of Shares directly between the New Investors and for the avoidance of any doubt any Permitted Transfer pursuant to article 19, 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 18.9(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 18.9(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "Minimum Transfer Condition").

20.3 Once given, a Transfer Notice may only be withdrawn with Hargreave Consent.

20.4 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.

20.5 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 20.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 20 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

20.6 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 Ordinary Shares;

in each case on the basis set out in Article 20.8 to Article 20.15 (inclusive).

20.7 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 Ordinary Shares;
- (b) second, to the Investors,

in each case on the basis set out in Article 20.8 to Article 20.15 (inclusive).

20.8 The Directors shall offer the Sale Shares in the orders of priorities referred to in Articles 20.6 or 20.7 (as appropriate) commencing with the Shareholders prescribed in limb (a) of Articles 20.6 or 20.7 (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.

20.9 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 20.9(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 20.9(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 20.9(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 20.6 or 20.7 (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 20.9 *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 20.14.

20.10 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under Article 20.6 to 20.7 (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 20.8 and 20.9 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.

20.11 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 20.8 and 20.9, 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).

20.12 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.

20.13 If the Seller fails to comply with Article 20.12:

- (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.

20.14 Where a Transfer Notice lapses pursuant to Article 20.10(b) where an Allocation Notice does not relate to all the Sale Shares then the Seller may, with Investor 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 20.14 shall not be subject to any Minimum Transfer Condition.

20.15 The Seller's right to transfer Sale Shares under Article 20.14 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 20.15(b).

## 21 Valuation

- 21.1 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.
- 21.2 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.
- 21.3 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.
- 21.4 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.
- 21.5 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.
- 21.6 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).
- 21.7 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.

21.8 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 20.3; 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.

## 22 Compulsory Transfers

22.1 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.

22.2 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.

22.3 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 22.3 shall not apply to a Shareholder that is an Investor.

22.4 If an Employee becomes a Departing Employee 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 on the relevant Termination Date in respect of all Relevant Shares (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.

22.5 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.
- 22.6 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.

## 23 Tag Along

- 23.1 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.
- 23.2 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.
- 23.3 The completion of the Proposed Transfer shall be conditional in all respects on:
  - (a) the making of an Offer in accordance with this Article 21; 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 23.
- 23.4 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this Article 23 shall not be, subject to the pre-emption provisions of Article 20.

## 24 Drag Along

### 24.1 If:

- (a) the holders of 75% of the A Ordinary Shares, B Ordinary Shares and D Ordinary 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 24; or
- (b) the New Investors (acting by Investor Consent) and at least one of the two Founders (also the "**Selling Shareholders**") wish to transfer all of their interest in Shares (also "**Sellers' Shares**") to a bona fide arm's-length purchaser (also "**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 24.

24.2 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 24;
- (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; and
- (d) the proposed date of the transfer.

24.3 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.

24.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this Article 24 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.
- 24.5 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.
- 24.6 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 23.
- 24.7 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 24.2 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.
- 24.8 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period referred to in Article 24.7, 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 24 in respect of its Shares.
- 24.9 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 24.9.

## **25 Disenfranchisement**

25.1 Subject to article 25.2, 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.

25.2 The provisions in article 25.1 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.

## **26 Co-Sale**

26.1 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.

26.2 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.

26.3 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 26.

26.4 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this Article 26 shall not be, subject to the pre-emption provisions of Article 20.

## **DECISION MAKING BY SHAREHOLDERS**

### **27 General Meetings**

27.1 No business other than, subject to Article 26, 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.

27.2 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.

### **28 Voting**

28.1 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.

28.2 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.

- 28.3 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.
- 28.4 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.
- 28.5 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.

## **29 Partly Paid Shares**

- 29.1 The Company shall not issue any partly paid shares.

## **ADMINISTRATIVE ARRANGEMENTS**

### **30 Notices**

- 30.1 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).
- 30.2 For the purposes of Article 29.1 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 29.2.
- 30.3 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.

- 30.4 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 29.4, no account shall be taken of any part of a day that is not a working day.

- 30.5 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.
- 30.6 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.
- 30.7 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.

### **31 Share Certificates**

- 31.1 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.
- 31.2 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.

- 31.3 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.
- 31.4 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.

## **32 Indemnity and Insurance**

- 32.1 Subject to Article 31.2, 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 27.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- (c) This Article 31 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.



- 32.2 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.

### 33 Data Protection

- 33.1 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.
- 33.2 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.
- 33.3 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.

### 34 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 13 (Dividends), 14 (Liquidation) or 18 (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).