

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

Of

ARLINGTON LONDON LIMITED (**09016711**) (formerly Montpelier Products Limited)

(Adopted by special resolution passed on 5 November 2021)

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INTRODUCTION

1 Interpretation

1.1 In these Articles, the following words have the following meanings:

Act means the Companies Act 2006.

Acting in Concert has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers for the time being in force;

Affiliate means, in relation to a Shareholder who is a natural person:

- (a) in relation to a company, any person that directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with that company; or
- (b) in relation to a natural person:
  - (i) his Close Relation;
  - (ii) any trust of which such person or a Close Relation of such person is an actual or potential settlor or beneficiary; and
  - (iii) any company that directly or indirectly, through one or more intermediaries, is Controlled by such person and his Close Relations (either together or individually)

provided always that the Company shall not be regarded as being an Affiliate of any Shareholder for the purposes of these Articles.

Approved Nominee Shareholder mean a Shareholder who holds Shares on behalf of another person as beneficial owner whose holding as a nominee has been approved by the Board and includes Seedrs Nominee.

Approved Nominee Shareholder Event means that the Approved Nominee Shareholder (a) is no longer able to act as nominee or nominated custodian (respectively) either (i) due to a change in law or regulation or (b) an Insolvency Event has occurred in relation to such Approved Nominee Shareholder.

Articles means the Company's articles of association for the time being in force.

Associated Government Entities means:

- (a) any UK Government departments, including their executive agencies, other subsidiary bodies and other parts of UK Government;

- (b) companies wholly or partly owned by UK Government departments and their subsidiaries;
- (c) non-departmental public bodies, other public bodies, public corporations and their subsidiary bodies sponsored by UK Government departments; and/or
- (d) any successors to any of the entities set out in (a), (b) and (c) above or any new bodies which fall within the same criteria;

Bad Leaver means an Employee ceasing to be an employee of the Company:

- (a) as a result of his voluntary resignation (other than by reason of his death or disability or incapacity through ill-health (other than through drink or drugs)) or in circumstances determined by an employment tribunal to constitute unfair or constructive dismissal; or
- (b) by reason of his dismissal as an employee for cause, where "cause" shall mean the lawful termination of his employment agreement without notice or payment in lieu of notice as a consequence of the Employee's misconduct or otherwise as a result of the Employee materially breaching any material provision of these Articles, any shareholders agreement or his employment agreement;

Beneficial Owner means the person who holds the beneficial ownership in any Shares the legal title to which is held by an Approved Nominee Shareholder.

Board means the board of Directors as constituted from time to time.

Business Day means a day, other than a Saturday or a Sunday, on which clearing banks are generally open for business in the City of London.

Close Relation means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), sibling, parent, child or grandchild.

Company means Arlington London Limited, a company incorporated in England and Wales with registered number 09016711;

Compulsory Transferor has the meaning set out in Article 16.6;

Conflict means a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Connected Person has the meaning given to it section 1122 of the CTA 2010;

Control means the ability, directly or indirectly, to determine in all material respects the manner in which the affairs of another person are conducted whether by means of ownership, contract or otherwise and Controlled will be construed accordingly.

Controlling Interest means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

CTA 2010 means the Corporation Tax Act 2010;

Deemed Transfer Notice has the meaning given in Article 16.6;

Deemed Transfer Price has the meaning given in Article 16.8;

Deemed Transfer Shares has the meaning set out in Article 16.6;

Director means a director of the Company;

EIS Share means any Share to which the Enterprise Investment Scheme as set out in Part 5 of the Income Tax Act 2007 and Sections 150A to 150C and Schedule 5B to the Taxation of Chargeable Gains Act 1992 applies.

Eligible Director means any Director who would be entitled to vote on the matter at a meeting of Directors.

Employee means for the purpose of Article 16 any employee of the Company other than the Founder or any other employee whom the Board has resolved in writing by resolution should not be subject to the requirements of Article.16fr.

Fair Value means the fair value of the Deemed Transfer Shares as determined in accordance with Article 17.

Founder means Angelika Davenport.

Future Fund means UK FF Nominees Limited, a company incorporated in England and Wales with company registration number 12591650 and whose registered office address is at 5 Churchill Place, 10th Floor, London, England, E14 5HU;

Institutional Investor means any fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing, other than an Institutional Investor who the Board determines in its reasonable discretion is a competitor with the business of the Company.

Insolvency Event means in relation to a Shareholder which is a body corporate that that Shareholder either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or enters into a composition or arrangement with its creditors generally or suffers or takes any equivalent action in any jurisdiction outside England and Wales.

Major Shareholder means a Shareholder who owns more than 10% of the total number of Shares in issue at any time.

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles.

Permitted Transfer means a transfer of Shares made in accordance with Article 15.

Permitted Transferee means, in relation to a Shareholder, a person who is an Affiliate of such Shareholder or a person deemed to be a Permitted Transferee in accordance with Article 15.2 or is an existing Shareholder.

Restricted Period means the period from the date of adoption of these Articles until the expiry of a period of three years after the latest date of issue of any EIS Shares.

Seedrs means Seedrs Nominees Limited, which holds Shares at the direction of Seedrs Limited on behalf of certain Beneficial Owners.

Share means an ordinary share of £0.01 each<sup>1</sup> in the issued capital of the Company, having the rights set out in these Articles.

Shareholder means any person holding any Shares in the Company from time to time.

Shareholder Majority means at any time Shareholders holding at least 50% of all Shares then in issue.

Shareholder Majority Consent means consent in writing (including by email) of a Shareholder Majority.

Transfer Notice has the meaning given in Article 13.6.

writing or written means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of Articles 13.6 to 19, "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 1.5 A reference to a holding company or a subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
  - (a) another person (or its nominee), by way of security or in connection with the taking of security; or
  - (b) its nominee.
- 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.
- 1.7 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, other and otherwise are illustrative and shall not limit the sense

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<sup>1</sup> The ordinary shares of £1.00 each were sub-divided into ordinary shares of £0.01 each by a resolution of shareholders dated 31 January 2017

of the words preceding them.

- 1.9 The question of whether one person is connected to or with another shall be determined by reference to Sections 1122 and 1123 of the Corporation Tax Act 2010.

## 2 Adoption of the Model Articles

- 2.1 The Model Articles 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 6(2), 7, 8, 9(1), 9.2, 11 to 14 (inclusive), 16, 17(1), 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 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".

## DIRECTORS

### 3 Directors' meetings

- 3.1 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.
- 3.2 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 Article 6 shall apply equally to meetings of any committee of the Directors as to meetings of the Directors.

### 4 Decisions of Directors

All decisions made at any meeting of the Directors or of any committee of the Directors shall be made only by resolution and resolutions at any meeting of the Directors or committee of the Directors shall be decided by a majority of votes, each Director having one vote.

### 5 Calling a Directors' meeting

- 5.1 Any Director may call a meeting of Directors by giving not less than five Business Days' notice of the meeting (or such shorter period of notice as all the Directors may agree) to each Director or by authorising the company secretary (if any) to give such notice.
- 5.2 Notice of any Directors' meeting must be accompanied by:
  - (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - (b) copies of any papers to be discussed at the meeting.
- 5.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of Directors unless all the Directors (including any Director not present at the meeting) agree.

### 6 Quorum for Directors' meetings

- 6.1 Subject to Articles 6.3 and 6.4, the quorum at any meeting of the Directors (including adjourned meetings) shall be two Directors, of whom one at least shall be the Founder (or her alternate) so long as she is a Major Shareholder.
- 6.2 No business shall be conducted at any meeting of the Directors unless a quorum is present at

the beginning of the meeting and also when that business is voted on.

- 6.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then any two Eligible Directors present will constitute a quorum.

- 6.4 For the purposes of any meeting (or part of a meeting):

- (a) held pursuant to Article 8 to authorise a Conflict of Angelika Davenport; or
- (b) at which Angelika Davenport is not permitted to vote on any resolution in accordance with Article 8.3 as a result of a Conflict

the quorum for such meeting (or part of a meeting) shall be any two Eligible Directors.

## 7 Chairing of Directors' meetings

- 7.1 The position of chair of the Directors will be held by Angelika Davenport or, if she is not a Director or does not wish to act as the chair, such other Director as shall be appointed by the Board.

- 7.2 The chair shall not have a casting vote.

- 7.3 If the chair for the time being is unable or ineligible to attend any meeting of the Directors, Angelika Davenport so long as she is a Director (or if she is not the Board) shall be entitled to appoint another Director to act as chair at the meeting.

## 8 Directors' conflicts of interests

- 8.1 The Directors may, in accordance with the requirements set out in this Article 8, authorise any Conflict proposed to them by any Director which would, if not so authorised, involve a Director (the Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest.

- 8.2 Any authorisation under this Article 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 or in such other manner as the Directors may determine;
- (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) provide that the Interested Director will or will 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 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.
- 8.7 No authorisation under Article 8.1 shall be necessary in respect of any interest of a Director arising as a result of the Director also being a Shareholder and having been appointed as the Director.
- 8.8 Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.9 Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 8.7.
- 8.10 Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 8.3, and provided a Director has declared the nature and extent of his interest in accordance with the requirements of the Act, 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 such 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 Directors) in respect of such transaction or arrangement 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 Directors) or participate in any unanimous decision, in respect of such transaction or arrangement 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 (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## 9 Records of decisions to be kept

Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in a form that enables the Company to retain a copy of such decisions.

## 10 Appointment and removal of Directors

- 10.1 Any Shareholder who is a Major Shareholder shall be entitled to appoint and remove a Director and such Director may only be removed by the Major Shareholder who has appointed such Director..
- 10.2 The Directors may appoint any other person to be a Director and may remove any Director so appointed.
- 10.3 If a Shareholder ceases to be a Major Shareholder he shall forthwith procure that the Director appointed by him resigns as a Director without compensation for loss of office or otherwise

## 11 Alternate Directors

- 11.1 A Director may appoint any person (who is not himself a Director) to be an alternate Director to exercise that Director's powers, and carry out the Director's responsibilities, in relation to the taking of decisions by the Directors, in the absence of the Director. In these Articles, where the context so permits, the term "Director" shall include an alternate Director appointed by a Director.
- 11.2 Any appointment or removal of an alternate Director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by that Director, or in any other manner approved by the Directors.
- 11.3 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 he is willing to act as the alternate of a Director.
- 11.4 An alternate Director has the same rights, in relation to any decision of the Directors, as a Director.
- 11.5 Except as the Articles specify otherwise, an alternate Director of a Director:
  - (a) is deemed for all purposes to be a Director;

- (b) is liable for its own acts and omissions;
- (c) is subject to the same restrictions as that Director; and
- (d) is not deemed to be the agent of or for that Director,

and, in particular (without limitation), an alternate Director of a Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which that Director is a member.

11.6 An alternate Director may, subject to him being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of Directors (but only if the Director who appointed him is an Eligible Director and is not participating); and
- (b) participate in a unanimous decision of the Directors (but only if the Director who appointed him is an Eligible Director in relation to that decision, and does not himself participate).

11.7 An alternate Director may be indemnified by the Company to the same extent as if he were a Director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate Director except such part (if any) of the remuneration otherwise payable to the Director who appointed him as that Director may by notice in writing to the Company from time to time direct.

11.8 An alternate Director's appointment as an alternate for a Director terminates:

- (a) when that Director revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
- (b) when that Director ceases to be a Director for whatever reason.

## SHARES

12 Share issues

12.1 Subject to Article 12.4, if at any time the Company proposes to issue shares of any class or any securities convertible into shares of any class (other than pursuant to the exercise of any options) (Issue Shares), those Issue Shares shall not be allotted to any person unless the Company has in the first instance offered them to all of the Shareholders on the following basis

- (a) the offer shall be in writing, open for acceptance for at least 14 Business Days from the date of the offer (the Acceptance Period) and state the number, class and the subscription price for each of the Issue Shares to be issued (an Issuance Notice), provided that the Issue Shares so offered must be at the same price and class as those proposed to be issued (as shall be set out in the offer);
- (b) upon receipt of an Issuance Notice, the Shareholders shall each have the option, but not the obligation, to subscribe at the price set forth in the Issuance Notice for up to that proportion of the Issue Shares proposed to be issued which the number of the Shareholder's Shares (as of the date of the Issuance Notice) bears to the total issued share capital at the time the Company gives the Issuance Notice (the Pre-Emption Offer), by issuing notice to the Company within the Acceptance Period of the number of Issue Shares the Shareholder wishes to subscribe for pursuant to the Pre-Emption Offer;
- (c) if notices are not given in accordance with paragraph (b) accepting the offer in respect of all of the Issue Shares proposed to be allotted (the Unaccepted Shares), the Board

may offer such Unaccepted Shares to any of the Shareholders (and any Beneficial Owners who accept the offer in accordance with paragraph (d) below) who have accepted such offer on such basis as the Board considers reasonable;

- (d) if in relation to any Approved Nominee Shareholder an Insolvency Event occurs, the Approved Nominee Shareholder may offer the Issue Shares it is entitled to subscribe for pursuant to the Pre-Emption Offer to the Beneficial Owners for whom it holds Shares according to their beneficial ownership in such Shares and may share with such Beneficial Owners the Issuance Notice and other information relating to the Pre-Emption Offer provided that any Beneficial Owner who takes up any such offer shall do so on the basis that the legal title in any Issue Shares which it subscribes for will be held by the Approved Nominee Shareholder; and
- 12.2 Any Approved Nominee Shareholder may subscribe for Issue Shares pursuant to the Pre-Emption Offer for and on behalf of the Beneficial Owners for whom it holds Shares and, unless the Approved Nominee Shareholder otherwise agrees, subject to the same nominee arrangements as those agreed between the Company and the Approved Nominee Shareholder
  - 12.3 Sections 561(1) and 562(1) to (5) inclusive of the Act do not apply to an allotment of any shares made by the Company.
  - 12.4 Section 12.1 shall not apply to the issue of any Shares to Seedrs or to any other person provided that such Shares are issued prior to 30 April 2022 at a subscription price of not less than £4.45 and that the total number of Shares issued to persons other than Seedrs shall not exceed 50,000 Shares.
  - 13 Transfers of shares: general
  - 13.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
  - 13.2 No Share shall be transferred unless the transfer is made in accordance with these Articles.
  - 13.3 Subject to Article 13.4, the Directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of Shares which has not been made in compliance with these Articles.
  - 13.4 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee (other than a transfer under Article 15.2 (a) or (c)) or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the Shareholders in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 13.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
  - 13.5 Any transfer of Shares by way of a sale or other transfer that is required to be made under Article 14,16,18 or 19 shall be deemed to include a warranty that the transferor sells the Shares with full title and free from encumbrances.
  - 13.6 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

14 Pre-emption rights on the transfer of Shares

14.1 Subject to Article 15 and to Article 28, if a Shareholder (the Transferor) wishes to transfer all or part of its Shares (the Transfer Shares) to any person (including an existing Shareholder) (the Transferee), the Transferor shall give notice in writing (a Transfer Notice) to the Company and forthwith upon receiving a Transfer Notice shall send a copy of such Transfer Notice to all other Shareholders (the Non-Transferring Shareholders).

14.2 The Transfer Notice:

- (a) shall specify the number of Transfer Shares, the identity of the Transferee and the price per Transfer Share at which the Transferor wishes to sell the Transfer Shares to the Transferee (the Transfer Price) and shall be dated and signed by the Transferor;
- (b) shall constitute the Company the agent of the Transferor for the sale of the Transfer Shares at the Transfer Price in accordance with the following provisions of this Article 14;
- (c) shall not be revocable except with the consent of the Board; and
- (d) may include a condition (a Total Transfer Condition) to the effect that the Transferor may, by giving a Total Transfer Condition Notice in accordance with Article 14.11, decline all of the Acceptances (as defined in Articles 14.4 and 14.7) received from Accepting Shareholders (as defined in Articles 14.5) unless the Transferor has received Acceptances from Accepting Shareholders in relation to all of the Transfer Shares.

14.3 The Transfer Notice shall constitute an offer (the Offer) to each Non-Transferring Shareholder to buy a proportion of the Transfer Shares equal to the proportion which the number of Shares held by such Non-Transferring Shareholder bears to all of the Shares held by the Non-Transferring Shareholders (the number represented by such proportion relating to each Non-Transferring Shareholder being its Offered Shares).

14.4 Each Non-Transferring Shareholder shall have 21 days from the date of the Transfer Notice being sent to the Company and to the Non-Transferring Shareholders (the Offer Period) to send notice to the Company in writing (an Acceptance Notice) whether it wishes to accept the Offer (an Acceptance) in respect of all (but not part only) of its Offered Shares.

14.5 If any Non-Transferring Shareholder does not send to the Company an Acceptance Notice within the Offer Period, the Company shall, within 7 days after the end of the Offer Period, send to all of the Non-Transferring Shareholders (if any) who have given an Acceptance Notice within the Offer Period (Accepting Shareholders) a notice in writing (an Excess Shares Notice) setting out the number of Offered Shares in respect of which Acceptance Notices have not been given by Non-Transferring Shareholders within the Offer Period (the Excess Shares).

14.6 The Excess Shares Notice shall constitute an offer (the Excess Shares Offer) to each Accepting Shareholder to buy the Excess Shares.

14.7 Each Accepting Shareholder shall have 7 days from the date of the Excess Shares Notice being sent to the Accepting Shareholders (the Excess Period) to notify the Company in writing whether it wishes to accept the Excess Shares Offer (an Acceptance) in respect of all (but not part only) of the Excess Shares.

14.8 If more than one Accepting Shareholder gives a notice accepting the Excess Shares Offer in accordance with Article 14.7, each of them shall be deemed to have accepted the Excess Shares Offer and given an Acceptance in respect of the same proportion of the Excess Shares as the number of Shares owned by it bears to the total number of Shares owned by all such Accepting Shareholders.

14.9 If Acceptances have been given in respect of all of the Transfer Shares in accordance with

Article 14.4 and, if applicable, Article 14.7, the Transferring Shareholder shall (subject to Article 14.11) be bound to sell the Transfer Shares to the Accepting Shareholders in accordance with their Acceptances (including their deemed Acceptances under Article 14.8).

- 14.10 The Company shall, within 7 days from the end of the Offer Period or, if there was an Excess Period, within 7 days from the end of the Excess Period, notify the Transferring Shareholder in writing how many of the Transfer Shares are the subject of Acceptances given in accordance with Articles 14.4 and, if applicable, 14.7, the names of the Accepting Shareholders and details of their Acceptances.
- 14.11 If a Total Transfer Condition was included in the Transfer Notice as referred to in Article 14.2(d) and Acceptances have not been given in respect of all of the Transfer Shares pursuant to Article 14.4 and, if applicable, Article 14.7, the Transferring Shareholder may within 14 days from the end of the Excess Period by written notice to the Company and to all Accepting Shareholders (a Total Transfer Condition Notice) give notice that it does not wish to sell any Transfer Shares to any Accepting Shareholder.
- 14.12 If either:
- (a) no Acceptances have been given in accordance with Article 14.4; or
  - (b) Acceptances have been given in accordance with Articles 14.4 and 14.7 in respect of less than all of the Transfer Shares and the Transferring Shareholder has given a Total Transfer Condition Notice in accordance with Article 14.11,
- the Transferring Shareholder shall have the right within 60 days from the end of the Offer Period or, if there was an Excess Period, the Excess Period, to sell all but not part only of the Transfer Shares by way of bona fide sale to the Transferee on terms which are no more favourable to the Transferee than the terms offered to the Non-Transferring Shareholders.
- 14.13 If Acceptances have been given in respect of some only of the Transfer Shares in accordance with Articles 14.4 and 14.7 and the Transferring Shareholder has not given a Total Transfer Condition Notice, the Transferring Shareholder shall sell the Transfer Shares the subject of such Acceptances to the Accepting Shareholders in accordance with such Acceptances and may sell the balance of the Transfer Shares within 60 days from the end of the Offer Period or, if there was an Excess Period, the Excess Period by way of bona fide sale to the Transferee on terms which are no more favourable to the Transferee than the terms offered to the Non-Transferring Shareholders.
- 14.14 If the Transferring Shareholder intends in accordance with Article 14.12 or 14.13 to transfer any Transfer Shares to the Transferee, the Non-Transferring Shareholders (acting with Shareholder Majority Consent) may require the Directors to satisfy themselves that the Transfer Shares are being transferred to the Transferee for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Transferee and, if not so satisfied, the Directors shall refuse to register the transfer concerned.
- 14.15 The sale and purchase of the Transfer Shares to the Accepting Shareholders in accordance with Article 14.9 or 14.13 shall be completed within 21 days after the expiry of the Offer Period or, if applicable, the Excess Period at the registered office of the Company when:
- (a) the Transferring Shareholder shall deliver to the Accepting Shareholders executed transfers, together with the share certificates, for the Transfer Shares to be transferred to them pursuant to their Acceptances; and
  - (b) the Accepting Shareholders shall pay the Transfer Price for the Transfer Shares to be transferred to them to the Transferring Shareholder in cleared funds and for value on completion.
- 15 Permitted Transfers

- 15.1 A Shareholder may at any time transfer all or any part of its Shares to a Permitted Transferee of such Shareholder.
- 15.2 Notwithstanding anything to the contrary in these Articles, in respect of any Shares held by an Approved Nominee Shareholder, the following transfers shall be permitted without any restrictions and be deemed Permitted Transfers:
- (a) a transfer of any such Shares to any Beneficial Owner of such Shares;
  - (b) a transfer of any such Shares to any person who is to hold the Shares as nominee for the Beneficial Owner in substitution for the then registered shareholder; and
  - (c) a transfer of the beneficial ownership of any such Share, where the identity of the registered legal shareholder remains the same before and immediately after such transfer of beneficial ownership.
- 15.3 Notwithstanding anything in this agreement or any other agreement entered into by the Company, the Future Fund shall at any time be entitled to transfer its any shares in the capital of the Company that are held by the Future Fund, without restriction as to price or otherwise and free of pre-emption rights howsoever expressed to:
- (a) any Associated Government Entities; or
  - (b) an Institutional Investor that is acquiring the whole or part (being not fewer than 10 companies, including the Company) of the Future Fund's interest in a portfolio of investments which comprise or result from the conversion of unsecured convertible loans substantially on the same terms as the convertible loan agreement between the Future Fund and the Company, provided always that such transaction(s) is bona fide in all respects.
- 15.4 The procedure set out in Article 13.6 shall not apply to any transfer pursuant to Article 15.1 or 15.2 or 15.3.
- 15.5 A Shareholder holding Shares as a result of a Permitted Transfer made under this Article 15 may at any time transfer all (but not some only) of its Shares back to the Shareholder from whom it received those Shares (the Original Shareholder) or to another Permitted Transferee of such Original Shareholder, without being required to follow the procedure set out in Article 13.6.
- 15.6 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a Permitted Transferee of the Original Shareholder transfer all of the Shares held by it to:
- (a) the Original Shareholder from whom it received those Shares; or
  - (b) another Permitted Transferee of that Original Shareholder,
- without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 15.6, the Company may execute a transfer of the Shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such Shares.
- 16 Compulsory transfers
- 16.1 A person entitled to a Share in consequence of the death or 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 by serving written notice on that person provided that within a period of twelve months after the death of a Shareholder (or such longer period as may reasonably be required if the person so entitled has not been determined, is not capable of being identified, or does not

have the requisite authority to effect such transfer, having made all reasonable efforts to obtain such authority) the person entitled to the Shares held by such Shareholder shall be entitled to make a transfer of all of such shares to a Close Relation of the deceased Shareholder and such transfer shall be treated as a Permitted Transfer in accordance with Article 15 and the Directors shall not give written notice as aforesaid prior to the end of such period as aforesaid...

- 16.2 If an Insolvency Event occurs in relation to a Shareholder which is a body corporate (other than an Approved Nominee Shareholder) , 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 by serving written notice on that Shareholder.
- 16.3 If an Approved Nominee Shareholder Event occurs in relation to an Approved Nominee Shareholder, then:
  - (a) if such Shareholder notifies the Company of its intention to transfer the legal interest (but not the beneficial interest) in the relevant Shares within one month from the date of such appointment or composition or arrangement to a proposed transferee to act as nominee for the Beneficial Owners (for whom such Shareholder was holding the legal interest) then the Company shall, together with such Shareholder, take such steps as may be reasonably be required to effect such a transfer of the legal interest of the relevant Shares to the proposed transferee; and
  - (b) if such Shareholder fails to notify the Company in accordance with Article 16.3(a), then a Deemed Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.
- 16.4 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company (other than an Approved Nominee Shareholder), it 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 by serving written notice on that Shareholder and any Transfer Notice given by such Shareholder in accordance with Article 14.1 shall cease to have effect.
- 16.5 If an Employee ceases to be employed by the Company for any reason he shall be a Leaver and shall be deemed to have given a Transfer Notice in respect of all of the Shares held by him or a part of his holding of Shares as determined by the Board as of the date he ceases to be an Employee.
- 16.6 Any person who shall be deemed to have served a Transfer Notice in accordance with the foregoing provisions of this Article 16 (a Deemed Transfer Notice) shall be a Compulsory Transferor for the purposes of the following provisions of this Article 16 and the Deemed Transfer Shares shall be the Shares the subject of the Deemed Transfer Notice.
- 16.7 Any Transfer Notice served by a Compulsory Transferor pursuant to Article 13.6 in respect of any of his Shares before a Deemed Transfer Notice is deemed to have been given shall automatically lapse and the Compulsory Transferor may not voluntarily serve a Transfer Notice pursuant to Article 13.6 until the procedure in this Article 16 as a consequence of the Deemed Transfer Notice has been completed.
- 16.8 Notwithstanding any other provisions of these Articles, the Deemed Transfer Price shall be:
  - (a) in respect of the Deemed Transfer Shares (other than those shares referred to in Article Error! Reference source not found.) the Fair Value of the Deemed Transfer Shares;
  - (b) in respect of the Deemed Transfer Shares referred to in Article Error! Reference source not found., where the Founder is a Bad Leaver, £0.01 per Deemed Transfer Share or such other price as the Board shall determine as being appropriate in the circumstances; and



- (c) in respect of the Deemed Transfer Shares referred to in Article Error! Reference source not found., where the Founder is not a Bad Leaver, the Fair Value of the Deemed Transfer Shares, calculated as at the date of the Deemed Transfer Notice as ascertained in accordance with Article 17.
- 16.9 Forthwith upon a Deemed Transfer Notice being deemed to have been served, the Deemed Transfer Shares shall cease to confer on the holder of them any rights:
  - (a) to vote (whether on a show of hands, on a poll, in writing or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares; or
  - (b) to receive dividends or other distributions otherwise attaching to the Deemed Transfer Shares.
- 16.10 If a Compulsory Transferor has been deemed to have served a Deemed Transfer Notice, the Deemed Transfer Notice shall constitute the Company the agent of the Compulsory Transferor for the sale of the Deemed Transfer Shares at the Deemed Transfer Price in accordance with the following provisions of this Article 16.
- 16.11 Within 14 days following the determination of the Fair Value in accordance with Article 17, the Company shall offer (the First Offer) the Deemed Transfer Shares in writing (the First Offer Notice) at the Deemed Transfer Price to each Shareholder other than the Compulsory Transferor (a Remaining Shareholder) to buy a proportion of the Deemed Transfer Shares equal to the proportion which the number of Ordinary Shares held by such Remaining Shareholder bears to all of the Ordinary Shares held by the Remaining Shareholders (the number represented by such proportion relating to each Remaining Shareholder being its First Offered Shares).
- 16.12 Each Remaining Shareholder shall have 21 days from the date of the First Offer Notice being sent to the Remaining Shareholders (the First Offer Period) to send notice to the Company in writing (an Acceptance Notice) whether it wishes to accept the First Offer (an Acceptance) in respect of all (but not part only) of its First Offered Shares.
- 16.13 If any Remaining Shareholder does not send to the Company an Acceptance Notice within the First Offer Period, the Company shall, within 7 days after the end of the First Offer Period, send to all of the Remaining Shareholders (if any) who have given an Acceptance Notice within the First Offer Period (Accepting Shareholders) a notice in writing (a Second Offer Notice) setting out the number of First Offered Shares in respect of which Acceptance Notices have not been given by Remaining Shareholders within the First Offer Period (the Second Offer Shares).
- 16.14 The Second Offer Notice shall constitute an offer (the Second Offer) to each Accepting Shareholder under Article 16.13 to buy the Second Offer Shares at the Deemed Transfer Price.
- 16.15 Each Accepting Shareholder shall have 7 days from the date of the Second Offer Notice being sent to the Accepting Shareholders (the Second Offer Period) to notify the Company in writing whether it wishes to accept the Second Offer (an Acceptance) in respect of all or any of the Second Offer Shares.
- 16.16 If Acceptances are received from Accepting Shareholders in excess of all of the Second Offer Shares in accordance with Article 16.15, each of them shall be deemed to have given an Acceptance in respect of the same proportion of the Second Offer Shares as the number of Ordinary Shares owned by it bears to the total number of Ordinary Shares owned by all such Accepting Shareholders, subject to no Acceptance being deemed to have been given by any such Accepting Shareholder for more of the Second Offer Shares than the number notified by such Accepting Shareholder to the Company pursuant to Article 16.15.

- 16.17 If Acceptances have been given in respect of all or any of the Deemed Transfer Shares in accordance with either Article 16.12 and, if applicable, Article 16.15, the Compulsory Transferor shall be bound to sell the Deemed Transfer Shares the subject of such Acceptances to the Accepting Shareholders in accordance with their Acceptances (including their deemed Acceptances under Article 16.16).
- 16.18 The sale and purchase of the Deemed Transfer Shares to the Accepting Shareholders in accordance with Article 16.17 shall be completed within 21 days after the expiry of the First Offer Period or, if applicable, the Second Offer Period at the registered office of the Company when:
- (a) the Compulsory Transferor shall deliver to the Accepting Shareholders executed transfers together with the share certificates for the Deemed Transfer Shares to be transferred to them pursuant to their Acceptances; and
  - (b) the Accepting Shareholders shall pay the Deemed Transfer Price for the Deemed Transfer Shares to be transferred to them to the Compulsory Transferor in cleared funds and for value on completion.
- 17 Fair Value
- 17.1 As soon as practicable after the deemed service of a Deemed Transfer Notice, the Company shall, unless Article 16.8(b) applies, determine the Fair Value for each Deemed Transfer Share in accordance with this Article 17 as follows:
- (a) the Company shall use all reasonable endeavours to agree the Fair Value with the Compulsory Transferor within 21 days after the date of the Deemed Transfer Notice and if agreement is reached within this period the agreed amount shall be the Fair Value;
  - (b) if the Deemed Transfer Price is not agreed in accordance with Article 17.1(a) the Company shall appoint the Valuers to determine the Fair Value for each Deemed Transfer Share.
- 17.2 The Valuers shall be the accountants for the time being of the Company or, if they decline the instruction or if Shareholders holding more than 5% of the Shares having reasonable grounds to do so object to such appointment or if the Compulsory Transferor having reasonable grounds to do so objects to such appointment and undertakes to pay the costs of the independent firm of accountants, an independent firm of accountants jointly appointed by the Company and the Compulsory Transferor (as the case may be), or in the absence of agreement between the Company and the Compulsory Transferor on the identity of such firm within 10 Business Days of either of them serving details of a suggested firm on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).
- 17.3 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Compulsory Transferor in writing of their determination.
- 17.4 The Fair Value for each Deemed Transfer Share shall be the price per share determined by the Valuers on the following bases and assumptions:
- (a) valuing each Deemed Transfer Share as a proportion of the total value of all the issued Ordinary Shares in the capital of the Company without any premium or discount being attributable to the percentage of the Ordinary Shares in issue in the capital of the Company which they represent or, save as agreed otherwise between the Company and the Compulsory Transferor (as the case may be), for the rights or restrictions applying to the Deemed Transfer Shares;

- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - (d) the Deemed Transfer Shares are sold free of all encumbrances;
  - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
  - (f) taking into account any other factors that the Valuers reasonably believes should be taken into account.
- 17.5 The Company and the Compulsory Transferor are entitled to make written submissions to the Valuers and will provide the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Company and the Compulsory Transferor may reasonably require.
- 17.6 To the extent not provided for by this Article 17, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 17.7 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (in the absence of manifest error or fraud).
- 17.8 The Company and the Compulsory Transferor shall each bear its own costs in relation to the reference to the Valuers. The Valuers' fees and costs properly incurred by them in arriving at their valuation shall be borne equally by the Company and the Compulsory Transferor or, if the Valuers shall direct that they shall be borne in different proportions, in such proportions.
- 18 Tag along
- 18.1 Except in the case of transfers pursuant to Article 15,16 or 19, if Shareholders (the Proposed Transferors) propose to transfer any Shares (the Proposed Transfer), in one transaction or a series of related transactions, which would, if carried out, result in any person (other than a person who holds a Controlling Interest in the Company at that time or a Connected Person of such a person) (the Proposed Purchaser) and any person Acting in Concert with the Proposed Purchaser, acquiring a Controlling Interest in the Company, subject to the rights of Shareholders to acquire the relevant Shares under Article 14 (if applicable) having been exhausted, the following provisions of this Article 18 shall apply.
- 18.2 The Proposed Transferors may not transfer any of their Shares or any interest in them unless, at least 21 days before the date of the agreement to transfer, the Proposed Purchaser shall have made a written irrevocable offer (a Tag Offer) to the other Shareholders (each, an Offeree) to purchase each of the Offeree's Shares for a consideration equal to the same price per Share (and otherwise on the same terms, save that no Offeree shall be obliged to give any representations, warranties or indemnities save as referred to in Article 13.5) as the proposed sale of Shares by the Proposed Transferors provided that
- (a) if the consideration for the purchase of the Shares of the Proposed Transferors is not all in cash, the Board acting reasonably shall value the consideration per Share in cash and the Tag Offer must include such cash consideration as the consideration per Share at which the Proposed Purchaser will be obliged to purchase the Shares of any Offeree who accepts the Tag Offer; and
  - (b) if the consideration for the purchase of the Shares of the Proposed Transferors is less than the highest price per Share offered or paid by the Proposed Purchaser, or

any person Acting in Concert with the Proposed Purchaser, in the Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer, such higher price shall be substituted for the price proposed to be paid in the Tag Offer and the provisions set out in paragraph (a) above shall apply to the calculation of such price if the consideration in any previous transaction was not wholly in cash.

- 18.3 The Tag Offer shall be made by written notice (an Offer Notice), which will be open for acceptance by the Offerees for not less than 20 days and, if accepted, the sale of all of the Offeree's Shares shall be completed simultaneously with the completion of the sale of the Proposed Transferors' Shares to the Proposed Purchaser. The Offer Notice shall set out (i) the identity of the Proposed Purchaser, (ii) the purchase price (taking into account provisos (a) and (b) of Article 18.2) and other terms and conditions of payment, (iii) the proposed date of the transfer, and (iv) the number of Shares proposed to be purchased by the Proposed Purchaser from the Shareholders (provided that such offer must be for all Shares which are not then owned by the Proposed Purchaser and any persons acting in Concert with the Proposed Purchaser). If the Proposed Purchaser fails to make the Tag Offer to the Shareholders then, except where Article 19.5 applies, the Proposed Transferors shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer intended to effect the Proposed Transfer.

## 19 Drag along

- 19.1 If the holders of at least 70% of the total issued Shares (the Dragging Shareholders) propose to sell their Shares (Proposed Sale), in one transaction or a series of related transactions, wholly in cash to a bona fide third party prospective purchaser (the Drag Purchaser) who is not a Connected Person to any of the Dragging Shareholders, subject to the rights of Shareholders to acquire the relevant Shares under Article 14 (if applicable) having been exhausted, the following provisions of this Article 19 shall apply. Each of the Dragging Shareholders shall be required to sell all the Shares held by them in the Proposed Sale.

- 19.2 The Dragging Shareholders may by written notice to the other Shareholders (the Dragged Shareholders) require each of the Dragged Shareholders to sell all of its Shares at the same price per Share and otherwise on the same terms as the Dragging Shareholders (the Drag Along Option) (save that no Dragged Shareholder shall be obliged to give any representations, warranties or indemnities save referred to in Article 13.5) to the Drag Purchaser simultaneously with completion of the sale of the Dragging Shareholders' Shares to the Drag Purchaser provided that:

- (a) if the consideration for the purchase of the Shares of the Dragging Shareholders is not all in cash, the Board acting reasonably shall value the consideration per Share in cash and the Drag-Along Option must include such cash consideration as the consideration per Share at which the Drag Purchaser will be obliged to purchase the Shares of any Dragged Shareholder; and
- (b) If the consideration for the purchase of the Shares of the Dragging Shareholders is less than the highest price per Share offered or paid by the Drag Purchaser, or any person Acting in Concert with the Drag Purchaser, in the Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer, such higher price shall be substituted for the price proposed to be paid in the Drag-Along Option and the provisions set out in paragraph (a) above shall apply to the calculation of such price if the consideration in any previous transaction was not wholly in cash.

- 19.3 Written notice from the Dragging Shareholders under Article 19.2 (Drag Along Notice) shall oblige each of the Dragged Shareholders to deliver up to the Drag Purchaser within 14 days from the date of such notice an executed transfer of its Shares and the certificates for the same and to sign and execute all other relevant documents in connection with the sale against payment of the price for their Shares. Such Drag Along Notice shall

specify (i) that the Dragged Shareholder is required to transfer all its Shares pursuant to this Article 19, (ii) the person to whom the Shares are to be transferred, (iii) the consideration payable for the Shares, and (iv) the proposed date of the transfer.

- 19.4 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Dragging Shareholders have not sold their Shares to the Drag Purchaser within 20 Business Days of serving the Drag Along Notice. The Dragging Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 19.5 Provided that the Drag Purchaser is ready, willing and able to complete the sale of the Dragged Shareholders' Shares on the completion date determined in accordance with this Article 19, the requirement for a mandatory offer under Article 18 shall not apply to any transfer of Shares to a Drag Purchaser (or as they may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 19.6 On the completion date, each Dragged Shareholder shall deliver stock transfer forms for its respective Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company and, against delivery of such documents, the Company shall pay such Dragged Shareholder, on behalf of the Drag Purchaser, the amounts they are due to the extent that the Drag Purchaser has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Drag Purchaser. The Company shall hold the amounts due to each Dragged Shareholder in trust for each Dragged Shareholder without any obligation to pay interest.
- 19.7 To the extent that the Drag Purchaser has not, on the completion date, put the Company in funds to pay the consideration due, each Dragged Shareholder shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for its relevant Shares and the Dragged Shareholders shall have no further obligations under this Article in respect of their Shares.
- 19.8 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares or on the conversion of any convertible security of the Company (a New Shareholder), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by him to the Drag Purchaser (or as the Drag Purchaser may direct) and the provisions of this Article 19 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## 20 Ancillary provisions relating to transfer

### 20.1 If:

- (a) any Transferring Shareholder who becomes bound to transfer Shares in accordance with Article 14;
- (b) any Permitted Transferee who is obliged to transfer its Shares in accordance with Article 15.6;
- (c) any Compulsory Transferor who becomes bound to transfer Ordinary Shares in accordance with Article 16; or
- (d) any Dragged Shareholder who becomes bound to transfer Shares in accordance with Article 19

fails to deliver any documents required for the transfer of the legal and beneficial title to the relevant Shares (the Defaulter), the Board may authorise any Director to transfer those

Shares on behalf of the Defaulter to the relevant transferee(s) and shall then authorise registration of the transfer and the Company may receive the purchase price in trust for the Defaulter, giving a receipt that shall discharge the relevant transferee.

- 20.2 Pending registration of the transferee(s) of the relevant Shares as the holder of those Shares in the register of members of the Company, the Defaulter shall hold all rights and benefits in respect of those Shares on trust for the transferee(s) and the transferee(s) shall be appointed as proxy to vote and to take all actions and give all consents relating to those Shares as may be required under these Articles.
- 20.3 The Shareholders shall exercise all rights under these Articles so as to enable all transfers permitted in accordance with these Articles to be duly effected and registered.
- 20.4 Any Shareholder referred to in paragraphs (a) to (d) of Article 20.1 shall do all such things and execute all such documents as the transferee of its Shares may reasonably require to give effect to the transfer of the Shares to be transferred to such transferee.
- 20.5 If any calculation of any number of Shares under these Articles would result in there being a fraction of a Share the Board shall determine in its absolute discretion how such fraction should be dealt with.

#### DECISION MAKING BY SHAREHOLDERS

#### 21 Quorum for general meetings

- 21.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.
- 21.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

#### 22 Chairing general meetings

The chairman of the board of Directors shall chair general meetings. If the chairman is unable to attend any general meeting, the Shareholders present at the meeting shall be entitled to appoint one of them (on a show of hands) to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

#### 23 Voting

##### 23.1 At a general meeting:

- (a) on a show of hands every Shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a Shareholder entitled to vote; and
- (b) on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder.

- 23.2 On a vote on a written resolution every Shareholder has one vote for each Share of which he is the holder.

#### 24 Poll votes

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

## 25 Proxies

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

## ADMINISTRATIVE ARRANGEMENTS

### 26 Means of communication to be used

- 26.1 Any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
  - (b) if sent by fax, at the time of transmission; or
  - (c) if sent by post, 48 hours (or if posted overseas 72 hours) after the time it was posted provided that in the case of a posting overseas the Company shall send an email at or about the time of the posting to the applicable recipient (if such Shareholder has provided an email address to the Company in accordance with Article 26.3; or
  - (d) if sent by registered mail, one hour after the person sending any such notice, document or other information receives confirmation of receipt; or
  - (e) if sent by fast courier service, one hour after the person sending any such notice, document or other information receives confirmation of receipt; or
  - (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied.
- 26.2 To prove service, it is sufficient to prove that:
- (a) if delivered by hand, the notice was delivered to the correct address; or
  - (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
  - (c) if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
  - (d) if sent by registered mail, the sender has received a delivery confirmation from the applicable mail service; or
  - (e) if sent by fast courier service, the sender has received a delivery confirmation from the applicable courier service; or
  - (f) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.
- 26.3 Shareholders may from time to time notify the Company of the email address to be used for any notice to be sent to them in accordance with Article 26.1 (c) or (d).

26.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

## 27 Indemnity and insurance

27.1 Subject to Article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including (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 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(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

27.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

27.4 In this Article:

- (a) a "relevant officer " means any Director or other officer or former Director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor; and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company.

## 28 Put Option

In the event that it is determined by the Future Fund (in its absolute discretion) that it would be prejudicial to the reputation of the Future Fund and/or the UK Government to continue holding any shares in the capital of the Company, the Future Fund shall have the option to require the Company to purchase all of the shares in the capital of the Company held by the Future Fund for an aggregate price of £1.00 at any time (the "Put Option"), provided that:

- (i) the Put Option shall be exercisable by notice in writing from the Future Fund to the Company, such notice being revocable only with the consent of the Board (acting in its absolute discretion) (the "Put Option Notice");
- (ii) the terms of the completion of the Put Option have been authorised by a resolution of the Company;
- (iii) completion of the Put Option shall take place as soon as reasonably practicable and in any event no later than 20 Business Days following the Company's receipt of the Put



Option Notice; and each of the shareholders of the Company and the Company shall execute, and the Company shall procure so far as it lies within its power to do so the execution of, all such documents and deeds and do all such acts and things as may be reasonably required from time to time to implement the Put Option and transfer the legal and beneficial ownership of the relevant shares being sold to the Company under this Article 28, including waiving any pre-emption rights relating to such transfer.

The specific rights of the Future Fund under these Articles cannot be amended without the prior written consent of the Future Fund