

PRINT OF RESOLUTION FOR FILING AT COMPANIES HOUSE

Company Number 09185882

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

LEMONADE DOLLS LIMITED (the "Company")

passed on 13 August 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following ordinary and special resolutions were duly passed as written resolutions of the Company:

ORDINARY RESOLUTION

- 1 THAT, subject to the passing of resolution 2, in accordance with section 551 of the Act:
 - 1.1 the directors of the Company (the "**Directors**") be generally and unconditionally authorised to allot 9,459 ordinary shares of £0.01 each in the capital of the Company provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the first anniversary of the passing of these Resolutions save that the Company may, before such expiry, make an offer or agreement which would or might require shares in the Company to be allotted after such expiry and the directors may allot shares in the Company in pursuance of such offer or agreement as if such authority had not expired; and
 - 1.2 this authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the Act.

SPECIAL RESOLUTIONS

- 2 THAT, subject to the passing of resolution 1, the Directors be generally empowered to allot equity securities (as defined in section 560(1) of the Act) pursuant to the authority conferred by resolution 1, as if the pre-emption rights set out in article 22 of the Articles did not apply to any such allotment, provided that this power shall:
 - 2.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £94.59;
 - 2.2 expire on the first anniversary of the passing of these Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired; and
 - 2.3 this power is in substitution for all previous powers conferred on the Directors in accordance with section 570 of the Act but would prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such powers.

FRIDAY



A15 *A7DHYWTS* 31/08/2018 #335
COMPANIES HOUSE

- 3 THAT, the articles of association contained in the document attached to these written resolutions be adopted as the articles of association of the Company to the exclusion of, and in substitution for, the existing articles of association of the Company.

.....
Director

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
LEMONADE DOLLS LIMITED (THE "COMPANY")
(ADOPTED BY SPECIAL RESOLUTION PASSED ON 2018)

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires, the following definitions apply:

- | | |
|---------------------|---|
| "Act" | the Companies Act 2006; |
| "Articles" | the Company's articles of association for the time being in force; |
| "Bad Leaver" | means a member who becomes a Leaver as a result of: <ul style="list-style-type: none">(a) fraud or dishonesty;(b) his resignation as a director or 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;(c) dismissal as a director or Employee for cause, where "cause" shall mean:<ul style="list-style-type: none">i. the lawful termination of the director's or Employee's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that director's or Employee's misconduct; and/orii. that director's or Employee's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996;(d) a material or persistent breach by him of any shareholders' agreement or other similar agreement between the members of the Company; |
| "Board" | the board of directors for the time being of the Company or the directors present or deemed to be present at a duly convened quorate meeting of the directors; |

“business days”	any day (other than a Saturday, Sunday or a bank or public holiday in the United Kingdom) on which clearing banks in the city of London are generally open for business;
“Cessation Date”	the date on which a Leaver ceases to be a director or Employee of, or consultant to, the Company;
“Civil Partner”	in relation to an individual member, a civil partner as defined in the Civil Partnerships Act 2004;
“Conflict Situation”	any situation or matter in which any director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
“Early Stage Investor Director”	means a director appointed by the Early Stage Investors pursuant to article 9.1;
“Early Stage Investors”	Christopher George Hale, Steven Raymond Nicholls, Jonathan Brian Cameron Russell, Christopher John Williams, Simon James Christopher Freer, Robert Bready, Joshua Smith and Julian Davison or such other member designated as an Early Stage Investor from time to time;
“eligible director”	a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
“Employee”	an individual who has entered into or works for the Company under the terms of a contract of employment, whether such contract is expressly agreed (in writing or orally) or is implied by the nature of the relationship;
“Equity Securities”	shall have the meaning given in section 560(1) of the Act;
“Exempt Shares”	shall mean: <ul style="list-style-type: none"> (a) in respect of all Founders other than the Otherway Founders, the Shares held by a Founder on the relevant Cessation Date that have become Exempt Shares pursuant to Article 33.5; and (b) in respect of the Otherway Founders (i) the 450 Shares in the name of Jonathan Holt as at the date of adoption of these Articles, (ii) the 450 Shares in the name of Stuart Finlayson as at the date of adoption of these Articles, (iii) the 450 Shares in the name of Benjamin Lewin as at the date of adoption of these Articles and (iv) any other Shares held by the Otherway Founders on the relevant Cessation Date that have become Exempt Shares pursuant to Article 33.6;
“Family Trust”	a trust which permits the settled property or the income from it to be applied only for the benefit of an individual member (the “Settlor”) and/or any Privileged Relation of that Settlor and under which no power or control is capable of being

exercised over the votes of any shares which are the subject of the trust, by any person other than the trustees or the Settlor or any Privileged Relations of the Settlor;

"Founder Director"	means a director appointed by the Founders pursuant to article 9.2;
"Founders"	Catherine Fuller, Caren Downie and the Otherway Founders;
"Good Leaver"	means a member who becomes a Leaver: (a) as a result of: i. death; ii. permanent disability or permanent incapacity through ill-health (other than where such ill-health arises from the abuse of alcohol and/or drugs and/or other substances); iii. redundancy; or (b) who would otherwise be a Bad Leaver, but for the Board (in its sole discretion) electing, in writing, to treat such Leaver as a Good Leaver;
"Leaver"	a member who, being a director or Employee of, or consultant to, the Company, ceases to be a director, Employee or consultant for any reason and does not continue as or immediately become a director or Employee of, or a consultant to, the Company;
"Model Articles"	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date on which these Articles become binding on the Company;
"Non-Exempt Shares"	any Shares held by a Founder that are not Exempt Shares;
"Otherway"	Otherway London Limited (company number 08064222);
"Otherway Founders"	Jonathan Holt, Stuart Finlayson and Benjamin Lewin;
"Privileged Relation"	Civil Partner, spouse, widow or widower of the member and the member's children and grandchildren (including legitimate, illegitimate, step and adopted children and their issue);
"Qualifying Person"	shall have the meaning given in section 318 of the Act;

“Relevant Shares”	in relation to any member, all the Shares held by such a member and/or (if applicable) any Privileged Relation or Family Trust of such member;
“Shares”	the shares in the capital of the Company in issue from time to time; and
“Side Letter”	the side letter between (1) Otherway and (2) the Company entered into on or around the date of adoption of these Articles, pursuant to which Otherway agrees to provide certain services to the Company.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 In these Articles, reference to a “subsidiary” or “holding company” is to be construed in accordance with section 1159 of the Act.
- 1.4 Headings in the Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5 A reference in these Articles to an “Article” is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 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:
- 1.6.1 any subordinate legislation from time to time made under it; and
- 1.6.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.7 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2 MODEL ARTICLES

The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles. If any provisions of these Articles conflict with any provisions of the Model Articles, these Articles shall prevail.

3 DIRECTORS – DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 3.1 The general rule about decision making is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 4.1.
- 3.2 If the Company has only one director for the time being the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of these Articles relating to directors’ decision making.
- 3.3 Paragraph 7 of the Model Articles shall not apply to the Company.

- 3.4 The Founders shall provide the Early Stage Investors with forecasts as to the Company's cash flow and sales on a rolling quarterly basis. In the event that the Company is performing below the forecasted cash flow and/or sales figures provided to and agreed with the Early Stage Investors, the Early Stage Investor Directors shall be entitled to cast such number of votes as is necessary to approve or defeat any resolution proposed by the Early Stage Investor Directors at any meeting of the Board.

4 DIRECTORS – UNANIMOUS DECISIONS

- 4.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision 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.
- 4.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.
- 4.4 Paragraph 8 of the Model Articles shall not apply to the Company.

5 DIRECTORS – NUMBER AND QUORUM

- 5.1 Subject to Article 3.2, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than 2 eligible directors, one of whom must be a Founder Director and one of whom must be an Early Stage Investor Director.
- 5.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict of interest, 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.
- 5.3 Paragraph 11(2) of the Model Articles shall not apply to the Company.

6 DIRECTORS – CASTING VOTE

- 6.1 If the number of votes for and against a proposal at a meeting of directors is equal, the chairman or other director chairing the meeting shall not have a casting vote.
- 6.2 Paragraph 13 of the Model Articles shall not apply to the Company.

7 DIRECTORS - POWERS TO AUTHORISE CONFLICTS OF INTEREST

- 7.1 The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a Conflict Situation provided that, for this purpose, the director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter is authorised and it is agreed to without their voting or would have been agreed to if their votes had not been counted.
- 7.2 Any authorisation given under Article 7.1 may (whether at the time of giving the authorisation or subsequently) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the conflict so authorised.
- 7.3 Where the directors give authority under Article 7.1:

7.3.1 they may (whether at the time of giving the authority or subsequently) require that the relevant director is excluded from the receipt of information, participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the matter that is the subject of the authorisation and impose upon the relevant director such other terms for the purpose of the authorisation as they think fit and:

- a) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the authorisation; and
- b) the relevant director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms;

7.3.2 they may provide that where the relevant director obtains (otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence; and

7.3.3 the directors may revoke or vary the authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

7.4 A director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter which has been authorised by the directors pursuant to Article 7.1 (subject in any case to any limits or conditions to which such approval was subject).

8 DIRECTORS – TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

8.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- 8.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 8.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 8.1.3 shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such transaction or arrangement or such proposed transaction or arrangement.

8.2 Paragraphs 14(1) to 14(4) inclusive of the Model Articles shall not apply to the Company.

9 DIRECTORS – APPOINTMENT OF DIRECTORS

9.1 The Early Stage Investors shall collectively be entitled to appoint two persons as directors of the Company. The appointment and removal of any director so appointed shall be made by notice in writing from the Early Stage Investors to the Company.

9.2 The Founders shall collectively be entitled to appoint two persons as directors of the Company. The appointment and removal of any director so appointed shall be made by notice in writing from the Founders to the Company.

- 9.3 The Early Stage Investors shall have the right at any time to appoint a person to attend, observe and speak at meetings of the Board and any such appointment must be effected by notice in writing to the Company by the Early Stage Investors who may in a similar manner remove any observer appointed pursuant to this article 9.3. Any person so appointed will not be a director but shall be entitled to receive notice of, attend and speak at all meetings of directors as if he were a director.
- 9.4 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a *natural person (including a transmittee who is a natural person)*, who is willing to act and is permitted to do so, to be a director.
- 9.5 For the purposes of Article 9.1, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.
- 9.6 Paragraphs 17(2) and 17(3) of the Model Articles shall not apply to the Company.

10 DIRECTORS – ALTERNATE DIRECTORS

- 10.1 Any director (the “**appointor**”) may appoint as an alternate any other director or any other person approved by resolution of the directors to:
- 10.1.1 exercise that director’s powers; and
 - 10.1.2 carry out that director’s responsibilities,
- in relation to the taking of decisions by the directors in the absence of the alternate’s appointor.
- 10.2 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.
- 10.3 The notice must:
- 10.3.1 identify the proposed alternate; and
 - 10.3.2 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.
- 10.4 An alternate director may act as an 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.
- 10.5 Except as the Articles specify otherwise, alternate directors:
- 10.5.1 are deemed for all purposes to be directors;
 - 10.5.2 are liable for their own acts and omissions;
 - 10.5.3 are subject to the same restrictions as their appointors; and
 - 10.5.4 are not deemed to be agents of or for their appointors,
- and, in particular, 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.

- 10.6 A person who is an alternate director but not a director:
- 10.6.1 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);
 - 10.6.2 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
 - 10.6.3 shall not be counted as more than one director for the purposes of Articles 10.6.1 and 10.6.2.
- 10.7 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) but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 10.8 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing to the Company.
- 10.9 An alternate director's appointment as an alternate terminates:
- 10.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 10.9.2 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;
 - 10.9.3 on the death of the alternate's appointor; or
 - 10.9.4 when the alternate's appointor's appointment as a director terminates.

11 DIRECTORS' EXPENSES

- 11.1 Subject to Article 11.2, the Company may (but is not obliged to) pay any reasonable expenses which the directors (including alternate directors) and, if it has one, the secretary (but so that nothing in this Article 11.1 shall require the Company to have a secretary) properly incur in connection with their attendance at:
- 11.1.1 meetings of directors or committees of directors;
 - 11.1.2 general meetings; or
 - 11.1.3 separate meetings of any holders of any class of shares or of debentures of the Company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.
- 11.2 The payment of any expenses exceeding £1,000 in aggregate in any one year period must be approved by a majority of the Early Stage Investors.
- 11.3 Paragraph 20 of the Model Articles shall not apply to the Company.

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. Nothing in this Article 12 shall require the Company to have a secretary.

13 SHARES

Save as expressly set out herein, the Shares shall rank *pari passu* in all respects whether for voting, dividends or otherwise.

14 LIEN

The Company shall have a first and paramount lien on every Share, not being a fully paid Share, for all amounts payable to the Company (whether presently or not) in respect of that Share. The Company's lien shall extend to every amount payable in respect of it. The board of directors of the Company may at any time, either generally or in any particular case, waive any lien that has arisen or declare any Share to be wholly or in part exempt from the provisions of this Article.

15 ENFORCEMENT OF LIEN BY SALE

The Company may sell, in such manner as the Board may decide, any share over which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice has been served on the holder of the share or the person who is entitled by transmission to the share, demanding payment and stating that if the notice is not complied with the share may be sold. For giving effect to the sale, the Board may authorise some person to sign an instrument of transfer of the share sold to, or in accordance with the directions, of the buyer. The buyer shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

16 APPLICATION OF PROCEEDS OF SALE

The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied:

16.1.1 first, in or towards satisfaction of so much of the amount due to the Company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged; and

16.1.2 second, any residue shall (subject to a like lien for debts or liabilities not presently payable as existed on the share prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the person who was entitled to the share at the time of the sale.

17 CALLS

17.1 Subject to these Articles and the terms on which the shares are allotted, the Board may from time to time make calls on the members in respect of any monies unpaid on their shares (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue.

17.2 Each member shall (subject to the Company serving upon him at least 14 clear days' notice specifying when and where payment is to be made and whether or not by instalments) pay to the Company as required by the notice the amount called on for his shares.

17.3 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

17.4 A call may be revoked or postponed, in whole or in part, as the Board may decide.

17.5 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which the call is required to be paid.

18 LIABILITY OF JOINT HOLDERS

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.

19 INTEREST ON CALLS

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay all expenses that have been incurred by the Company by reason of such non-payment together with interest on the amount unpaid from the day it is due and payable to the time of actual payment at such rate (*not exceeding the Bank of England base rate by more than five percentage points*) as the Board may decide. The Board may waive payment of the interest or the expenses in whole or in part.

20 POWER TO DIFFERENTIATE

On or before the issue of shares, the Board may decide that allottees or holders of shares can be called on to pay different amounts or that they can be called on at different times.

21 PAYMENT OF CALLS IN ADVANCE

The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid on the shares held by him. Such payment in advance of calls shall, to the extent of the payment, extinguish the liability on the shares on which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called upon the shares in respect of which such advance has been made, at such rate as the Board may decide. The Board may at any time repay the amount so advanced by giving at least three months' notice in writing to such member of its intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

22 NOTICE IF CALL OR INSTALMENT NOT PAID

If any member fails to pay the whole of any call (or any instalment of any call) by the date when payment is due, the Board may at any time give notice in writing to such member (or to any person entitled to the shares by transmission), requiring payment of the amount unpaid (and any accrued interest and any expenses incurred by the Company by reason of such non-payment) by a date not less than 14 clear days from the date of the notice. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

23 FORFEITURE FOR NON-COMPLIANCE

If the notice referred to in Article 22 is not complied with, any share for which it was given may be forfeited, by resolution of the Board to that effect, at any time before the payment required by the notice has been made. Such forfeiture shall include all dividends declared or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

24 NOTICE AFTER FORFEITURE

When any share has been forfeited, notice of the forfeiture shall be served on the holder of the share or the person entitled to such share by transmission (as the case may be) before forfeiture. An entry of such notice having been given and of the forfeiture and the date of forfeiture shall immediately be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry in the Register.

25 FORFEITURE MAY BE ANNULLED

The Board may annul the forfeiture of a share, at any time before any forfeited share has been cancelled or sold, re-allotted or otherwise disposed of, on the terms that payment shall be made of all calls and interest due on it and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

26 SURRENDER

The Board may accept the surrender of any share liable to be forfeited and, in any event, references in these Articles to forfeiture shall include surrender.

27 SALE OF FORFEITED SHARES

27.1 A forfeited share shall become the property of the Company.

27.2 Subject to the Act, any such share may be sold, re-allotted or otherwise disposed of, on such terms and in such manner as the Board thinks fit.

27.3 The Board may, for the purposes of the disposal, authorise some person to transfer the share *in question and may enter the name of the transferee in respect of the transferred share in the Register* even if no share certificate is lodged and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.

28 EFFECT OF FORFEITURE

A shareholder whose shares have been forfeited shall cease to be a member in respect of such forfeited shares and shall surrender the certificate for such shares to the Company for cancellation. Such shareholder shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of such shares with interest (not exceeding the Bank of England base rate by five percentage points) from the date of the forfeiture to the date of payment. The Directors may waive payment of interest wholly or in part and may enforce payment, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

29 EVIDENCE OF FORFEITURE

A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share. The person to whom the share is transferred or sold shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission

or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share.

30 ISSUE OF SHARES – PRE-EMPTION RIGHTS

30.1 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 made by the Company.

30.2 Subject to Article 30.4, unless otherwise agreed by special resolution, if the Company proposes to allot any Equity Securities (other than any Equity Securities to be held under an employees share scheme (as that expression is defined in section 1166 of the Act) and any Equity Securities to be allotted pursuant to the authority conferred by a written resolution of the Company passed on the date of the adoption of these Articles), those Equity Securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those Equity Securities are being offered to other persons on a *pari passu* and pro-rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions). The offer:

30.2.1 *shall be in writing, (made in hard copy or electronic form) shall be open for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant Equity Securities; and*

30.2.2 shall stipulate that any shareholder who wishes to subscribe for a number of Equity Securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Equity Securities ("**Excess Securities**") for which he wishes to subscribe.

30.3 Any Equity Securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 30.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 30.2.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro-rata to the number of Shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 30.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

30.4 If, following the second anniversary of the date of adoption of these Articles, the Founders determine that the Company requires additional capital to be provided by way of an equity investment from a third party investor, any Shares to be allotted pursuant to such equity investment shall, notwithstanding the provisions of Articles 30.2 and 30.3, first be offered to the Early Stage Investors pro rata to the number of Shares held by them, at a subscription price equal to the amount per share paid by the Early Stage Investors for their Shares on or around the date of adoption of these Articles but otherwise in accordance with the provisions of Articles 30.2.1 and 30.2.2.

30.5 If the Early Stage Investors do not subscribe for some or all Shares offered to them pursuant to Article 30.4, the provisions of Articles 30.2 and 30.3 shall apply provided that the subscription price of the amount per share shall be not less than 50% higher than the amount per share paid by the Early Stage Investors for their Shares on or around the date of adoption of these Articles.

30.6 Subject to Articles 30.2 and 30.3 and to section 551 of the Act, any Equity Securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

- 30.7 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

31 TRANSFER OF SHARES - GENERAL

- 31.1 For the purposes of Articles 31, 32, 33 and 34 any reference to a transfer of Shares includes a disposition of any interest in any Share (or the income or capital or other rights thereto) whether legal, beneficial or otherwise, including the entry into any option or other agreement (conditionally or otherwise) for the possible sale or transfer thereof or grant of any security thereover, and whether or not for consideration or by written disposition or otherwise.
- 31.2 No Share shall be transferred, and the directors shall not register any transfer of Shares, other than in accordance with these Articles and any transfer or purported transfer of any Share made otherwise than in accordance with these Articles shall be void and of no effect whatsoever. Paragraph 26 of the Model Articles shall be modified accordingly.
- 31.3 The directors may only, and in their absolute discretion, refuse to register a transfer of shares to an infant, bankrupt or person in respect of whom, by reason of that person's mental health, a court has made an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have. Paragraph 26(5) of the Model Articles shall be modified accordingly.

32 PERMITTED TRANSFERS

- 32.1 Any member may, at any time, transfer any of his Shares to:
- 32.1.1 any person with the prior written consent of a majority of the Early Stage Investors; or
- 32.1.2 a Privileged Relation or Family Trust
- (each a "**Permitted Transfer**").
- 32.2 If a Family Trust ceases for any reason to be a Family Trust any Shares held by such trust shall be transferred (either directly or upon trust) to the Settlor of such Family Trust within 10 business days of so ceasing, failing which the provisions of Article 33 shall apply.
- 32.3 If a Privileged Relation to whom Shares have been transferred ceases to be a Privileged Relation of the member who made the transfer any Shares held by such Privileged Relation shall be transferred to the member who originally transferred him the Shares, failing which the provisions of Article 33 shall apply.
- 32.4 If a member holds Shares as a result of an earlier transfer under Article 32.2 or 32.3 that member may only transfer such Shares to the member who originally transferred him the Shares.

33 COMPULSORY TRANSFERS

- 33.1 A Transfer Notice (as defined in Article 34.3) shall be deemed to have been served:
- 33.1.1 in respect of Shares held by a Family Trust, by the trustees of that Family Trust where the Shares held by that Family Trust are required to have, but have not been, transferred in accordance with Article 32.2;

- 33.1.2 in respect of Shares which have been transferred to a Privileged Relation, by that Privileged Relation where the Shares held by that Privileged Relation are required to have, but have not been, transferred in accordance with Article 32.3;
 - 33.1.3 in respect of the Relevant Shares, if a member or any Privileged Relation or Family Trust of that member transfers, attempts to transfer or agrees to transfer any Shares otherwise than in accordance with the provisions of these Articles (and so that a Transfer Notice shall be deemed served immediately before the transfer, attempt to transfer or agreement to transfer); or
 - 33.1.4 in respect of the Relevant Shares, if a member is made bankrupt or proposes, or enters into, an individual voluntary arrangement or any other arrangement with his creditors or if a trustee, receiver, administrative receiver, administrator or liquidator or similar officer is appointed in respect of all or any part of the business or assets of that member.
- 33.2 Subject to Articles 33.3 to 33.6, if any member of the Company becomes a Leaver:
- 33.2.1 the directors may, at any time after the Cessation Date, resolve that such member is required to transfer all shares held by him and shall give notice of such resolution to the relevant member or members;
 - 33.2.2 at the expiry of 28 days from the passing of any resolution by the directors pursuant to Article 33.2.1, each such Leaver shall (unless he has already served a Transfer Notice) be deemed to have served a Transfer Notice pursuant to Article 33.1 in respect of all such shares; and
 - 33.2.3 notwithstanding any other provisions of these Articles (except for Articles 33.3 to 33.6 below), the Sale Price for each such share subject to the Transfer Notice shall, where the Leaver is:
 - a) a Bad Leaver, be the nominal value of the Shares held by the Leaver on the Cessation Date; and
 - b) a Good Leaver, be the aggregate Sale Price of the shares on the Cessation Date as determined in accordance with Article 34.9.
- 33.3 Subject to Articles 33.4 and 33.6, if Otherway ceases to provide services to the Company as provided in the Side Letter:
- 33.3.1 the directors may, at any time after the date on which Otherway ceases to provide services to the Company as provided in the Side Letter (such date being the "**Otherway Cessation Date**"), resolve that the Otherway Founders are required to transfer all shares held by them and shall give notice of such resolution to the Otherway Founders;
 - 33.3.2 at the expiry of 28 days from the passing of any resolution by the directors pursuant to Article 33.3.1, each Otherway Founder shall (unless he has already served a Transfer Notice) be deemed to have served a Transfer Notice pursuant to Article 33.1 in respect of all such shares; and
 - 33.3.3 the Sale Price for each such share subject to the Transfer Notice shall for all Exempt Shares held by the Otherway Founders be determined in accordance with Article 34.9 and the Sale Price for all Non-Exempt Shares shall be the nominal value of the Non-Exempt Shares held by the Otherway Founders on the Otherway Cessation Date.

- 33.4 Where any Founder becomes a Leaver, the Sale Price for all Exempt Shares held by such Founder shall be determined in accordance with Article 34.9 and the Sale Price for all Non-Exempt Shares shall be the nominal value of the Non-Exempt Shares held by the Leaver on the Cessation Date.
- 33.5 On each quarter end date following the date of adoption of these Articles (with each such quarter being a period of 3 months), 6.25% of the Shares held by the Founders (other than Otherway Founders) shall automatically become Exempt Shares for the purposes of these Articles.
- 33.6 On the first anniversary of the date of adoption of these Articles, all Shares held by the Otherway Founders that have not already become Exempt Shares shall automatically become Exempt Shares for the purposes of these Articles.
- 33.7 Paragraphs 27(2)(a) and 28 of the Model Articles shall not apply to the Company.

34 PRE-EMPTION ON TRANSFER

- 34.1 A Transfer Notice (as defined in Article 34.3) which is given otherwise than as a result of the operation of Article 33 shall be a **"Voluntary Transfer Notice"**.
- 34.2 A Transfer Notice which is deemed given as a result of the operation of Article 33 shall be a **"Compulsory Transfer Notice"**.
- 34.3 Any person proposing to transfer any Shares (the **"Transferor"**) shall, where the transfer is not a Permitted Transfer, give notice in writing (a **"Transfer Notice"**) to the Company that he wishes to transfer the same. For the purposes of Articles 34.4 to 34.21 inclusive, the expression **"Transferor"** shall also include any member whose Shares are subject to a Compulsory Transfer Notice.
- 34.4 A Voluntary Transfer Notice shall be revocable only with the consent of all the other members and shall specify:
- 34.4.1 the number of Shares which the Transferor wishes to transfer;
- 34.4.2 if he wishes to transfer such Shares to a third party, the name of the third party; and
- 34.4.3 the price per Share at which he wishes to transfer such Shares.
- 34.5 A Compulsory Transfer Notice shall be revocable only with the consent of all the other members.
- 34.6 A Transfer Notice shall unconditionally constitute the Company as the agent of the Transferor for the sale of the entire legal and beneficial interest in the Shares specified or deemed comprised therein (the **"Sale Shares"**).
- 34.7 A Voluntary Transfer Notice may provide as a condition (a **"Total Transfer Condition"**) that unless all the Sale Shares are transferred pursuant to this Article 34, then none shall be transferred. If a Total Transfer Condition is so included and is not fulfilled then the directors shall notify in writing the Transferor and all members or other persons who have agreed to purchase the Sale Shares that the Total Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 34.8 The date of a Transfer Notice shall be:
- 34.8.1 in the case of a Voluntary Transfer Notice, the date on which it is given; or

- 34.8.2 in the case of a Compulsory Transfer Notice, the date on which the directors become aware of the relevant event giving rise to the Compulsory Transfer Notice.
- 34.9 The price for the Sale Shares shall be the price agreed between the Transferor and the directors or, if they are unable to agree a price within 20 business days of the date of the Transfer Notice, the directors shall instruct the auditor for the time being of the Company to certify in writing the price which they determine, in their opinion, to be a fair value for the Sale Shares. The price for the Sale Shares as so agreed, determined or certified shall be the "**Sale Price**".
- 34.10 The auditor shall, in making its determination under Article 34.9, be regarded as acting as expert and not arbitrator and shall value the Sale Shares on the basis that the fair value shall be the market value thereof as at the date when the relevant Transfer Notice was given or deemed to have been given (as the case may be) as between a willing buyer and a willing seller at arm's length but with no discount being made by reason of such shares constituting a minority or majority holding and the auditor shall be instructed accordingly.
- 34.11 Following determination of the Sale Price the Company shall, as soon as reasonably practicable, by notice in writing (the "**Offer Notice**") offer the Sale Shares for sale to all the members of the Company (other than the Transferor or any person who remains a member but in respect of whose shares there has been deemed to have been served a Compulsory Transfer Notice) (the "**Remaining Members**") pro rata (or as nearly as may be) to the respective number of Shares held by the Remaining Members.
- 34.12 The Offer Notice shall:
- 34.12.1 state the Sale Price per Sale Share;
- 34.12.2 identify the total number of Sale Shares being offered for sale to all the Remaining Members and the number of Sale Shares which that member is entitled to purchase (the "**Proportion**");
- 34.12.3 invite each Remaining Member to state in writing the maximum number of Sale Shares they wish to purchase and identify that any Remaining Members who wish to purchase Sale Shares in excess of their Proportion may, in their acceptance, state how many Sale Shares in excess of that Proportion they wish to purchase (the "**Excess Claim**");
- 34.12.4 specify a period within which the offer may be accepted (the "**Acceptance Period**"), being not less than 20 business days nor more than 30 business days after the date of the Offer Notice; and
- 34.12.5 if the Transfer Notice, being a Voluntary Transfer Notice, contained a Total Transfer Condition, state that the Offer Notice is subject to the condition that, unless all the Sale Shares are transferred pursuant to the Articles, then none shall be transferred.
- 34.13 For the purposes of Article 34.11, no Sale Shares shall be treated as offered to the Transferor or to any member who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given a Transfer Notice in respect of any Shares registered in his name.
- 34.14 For the purposes of Article 34.12.4 an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. Any offer not accepted within the Acceptance Period will lapse. If, during the period between the date of the Offer Notice and (following acceptance of an offer by a member) the date on which sale of the Sale Shares is completed, a Remaining Member is deemed to have given a Compulsory Transfer Notice then such Remaining Member shall be deemed not to have accepted such offer and the relevant Sale Shares shall be re-offered for sale (at the same Sale Price per Sale Share and as if such

price had been determined on the date on which the Compulsory Transfer Notice is deemed to have been given).

- 34.15 If the Company receives acceptances for all or any of the Sale Shares within the Acceptance Period, the directors shall allocate the Sale Shares or such of them as are applied for amongst those Remaining Members who have so applied for any of the Sale Shares (as nearly as may be without involving fractions). Any outstanding Sale Shares shall then be allocated in satisfaction of the Excess Claims in proportion (or as nearly as may be without involving fractions) to the respective numbers of Shares already held by those Remaining Members, provided that no member shall be obliged to take more Sale Shares so allocated than identified in his own Excess Claim.
- 34.16 If, prior to the expiry of the Acceptance Period the Company shall, pursuant to Article 34.15, find Remaining Members to purchase some or all of the Sale Shares, the directors shall, within 5 business days of the expiry of the Acceptance Period give notice in writing thereof to the Transferor and the relevant Remaining Members (the "**Sale Notice**"). Each Sale Notice shall state:
- 34.16.1 the name and address of the Relevant Member;
- 34.16.2 the number of Sale Shares to be purchased by that Relevant Member; and
- 34.16.3 a place, time and date (not being less than 10 business days nor more than 20 business days after the date of the Sale Notice) at which the sale and purchase will be completed.
- 34.17 Upon the giving by the Company of a Sale Notice, the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which the Sale Notice relates in accordance with its terms.
- 34.18 If a Transferor (a "**Defaulting Transferor**") shall fail duly to transfer (or complete the transfer of) any Sale Shares to a Remaining Member in accordance with Article 34.17:
- 34.18.1 the Company shall, as the agent of the Transferor appointed pursuant to Article 34.6, be authorised to transfer, and complete the transfer of, those Sale Shares (including, without limitation of the generality of the foregoing, to execute and deliver any necessary stock transfer form in respect thereof);
- 34.18.2 the Company may receive the necessary monies in respect of the Sale Price in trust for the Defaulting Transferor and the receipt by the Company of those monies shall constitute a good and valid discharge to the relevant Remaining Member;
- 34.18.3 against receipt by the Company of those monies (in trust for the Defaulting Transferor) and, notwithstanding (if such is the case) that the Defaulting Transferor has failed to deliver up the relevant share certificate(s), the Company shall cause the relevant Remaining Member to be registered as the holder of those Sale Shares and, after such registration, the validity of the proceedings shall not be questioned by any person; and
- 34.18.4 the Company shall not be required to pay the monies received in respect of the Sale Price to the Defaulting Transferor until he shall, in respect of the Sale Shares, have delivered a share certificate, or suitable indemnity, and necessary transfers to the Company.
- 34.19 If any Sale Shares have not been the subject of a Sale Notice then the Company may, if permitted by law and subject to all relevant approvals being obtained, purchase any such Sale

Shares at the Sale Price by notice in writing served on the Transferor such notice being given within 10 business days from the end of the Acceptance Period (the "**Buy Back Notice**").

34.20 The Buy Back Notice shall state the number of the Sale Shares agreed to be purchased by the Company and shall specify a place and time and date at which the sale and purchase shall be completed. Upon the giving by the Company of any such Buy Back Notice the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.

34.21 If a Transferor (a "**Defaulting Seller**") shall fail duly to transfer (or complete the transfer of) any Sale Shares to the Company in accordance with Article 34.20:

34.21.1 the Company shall, as the agent of the Transferor be appointed pursuant to Article 34.6, be authorised to transfer, and complete the transfer of, those Sale Shares (including, without limitation of the generality of the foregoing, to execute and deliver any necessary buy back agreement and any stock transfer form in respect thereof);

34.21.2 the Company shall pay the necessary monies in respect of the Sale Price into a separate account and hold the same on trust for the Defaulting Transferor;

34.21.3 notwithstanding (if such is the case) that the Defaulting Transferor has failed to deliver up the relevant share certificate(s), the Company shall cause the relevant Sale Shares subject to the Buy Back Notice to be cancelled and, after such cancellation, the validity of the proceedings shall not be questioned by any person; and

34.21.4 the Company shall not be required to pay the necessary monies in respect of the Sale Price to the Defaulting Transferor until he shall, in respect of the Sale Shares, have delivered a share certificate, or suitable indemnity, and necessary documentation (including any buy back agreement and any transfer) to the Company.

34.22 To the extent that shares included in any Transfer Notice are not the subject of a Sale Notice or a Buy Back Notice within the applicable time periods then the Transferor may transfer such shares to any other person approved by the directors at not less than the Sale Price within 20 business days of the final date that a Buy Back Notice can be given.

35 DRAG ALONG RIGHTS

35.1 Notwithstanding anything to the contrary in these Articles, if any member (on his own or acting in concert with one or more other members) (the "**Proposing Shareholder(s)**"), with the prior written consent of a majority of the Early Stage Investors, proposes to sell or transfer Shares (the "**Selling Shares**") greater than 50% of all issued Shares of the Company at the time of the proposed sale or transfer to a person (other than a Permitted Transferee) who is a bona fide third party buyer at arm's length (the "**Proposed Buyer**") the following provisions of this Article 35.1 shall apply.

35.2 The Proposing Shareholder(s) shall have the right to give the Company not less than 25 days but not more than 30 days prior written notice (the "**Selling Notice**") of the proposed sale or transfer. The Selling Notice will include details of:

35.2.1 the Selling Shares;

35.2.2 the proposed price for each Selling Share to be paid by the Proposed Buyer;

35.2.3 details of the Proposed Buyer; and

- 35.2.4 the place, date and time of completion of the proposed sale (being a date not less than 25 days but not more than 30 days from the service of the Selling Notice) (the “**Drag Along Completion**”).
- 35.3 Immediately on receipt of a Selling Notice, the Company shall give notice in writing (the “**Drag Along Notice**”) to each of the members other than the Proposing Shareholder(s) (the “**Drag Along Shareholders**”) giving the details contained in the Selling Notice and requiring each of them at the Drag Along Completion to sell to the Proposed Buyer all Shares held by them.
- 35.4 A Proposing Shareholder may withdraw a Selling Notice any time prior to actual Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect.
- 35.5 Each Drag Along Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the Shares held by him to the Proposed Buyer at the time of the Drag Along Completion (or at such other time as the Proposing Shareholders and the Drag Along Shareholders shall agree) at the price per Selling Share as set out in the Drag Along Notice and otherwise on the same terms as the sale of Selling Shares.
- 35.6 If any of the Drag Along Shareholders shall fail to comply with the terms of Article 35.5 in any respect (each a “**Defaulting Shareholder**”):
- 35.6.1 the Company shall be unconditionally constituted the agent of each Defaulting Shareholder for the sale of the Shares referred to in his Drag Along Notice in accordance with that notice and shall be authorised to transfer, and complete the transfer of, those Shares (including, without limitation of the generality of the foregoing, to execute and deliver any stock transfer form in respect thereof);
- 35.6.2 the Company may receive the necessary purchase money in trust for each Defaulting Shareholder and the receipt by the Company of that purchase money shall constitute a good and valid discharge to the Proposed Buyer;
- 35.6.3 against receipt by the Company of the purchase money (in trust for the Defaulting Shareholder), and notwithstanding (if such is the case) that the Defaulting Shareholder has failed to deliver up the relevant share certificate(s), the Company shall cause the Proposed Buyer to be registered as the holder of the relevant Shares and, after such registration, the validity of the proceedings shall not be questioned by any person; and
- 35.6.4 the Company shall not be required to pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the Shares subject to the Drag Along Notice, have delivered a share certificate or suitable indemnity and necessary transfers to the Company.
- 35.7 The expression **price per Selling Share** used in Articles 35.2 and 35.5 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

36 TAG ALONG RIGHTS

- 36.1 If any member (on his own or acting in concert with one or more other members) (the "**Selling Party**"), with the prior written consent of a majority of the Early Stage Investors, proposes to sell or transfer Shares greater than 50% of all the issued Shares of the Company at the time of the proposed sale or transfer to any person or persons other than another member or a Permitted Transferee, the Selling Party shall procure, before the sale or transfer that each proposed buyer makes a bona fide written offer (a "**Tag Along Offer**") to each of the other members (each a "**Tag Along Shareholder**") to buy that proportion of the Shares held by each Tag Along Shareholder which is equal to the proportion represented by the number of Shares which the Selling Party is proposing to sell as against all the Shares held by the Selling Party at the time of the proposed sale or transfer for the same price per Share and otherwise on the same terms and conditions as those applying to the proposed sale or transfer by the Selling Party of his Shares.
- 36.2 Each Tag Along Offer shall specify:
- 36.2.1 the price for the relevant Shares and any other principal terms and conditions of the sale or transfer; and
- 36.2.2 the period (being not less than 25 days from the service of the Tag Along Offer) for acceptance by each Tag Along Shareholder).
- 36.3 If, within the period specified in the Tag Along Offer any Tag Along Shareholder accepts the offer in writing, then the Selling Party shall procure that the sale by that Tag Along Shareholder of his relevant Shares shall proceed on the same financial terms (including price per share) and at the same time as the sale of the Selling Party's Shares.
- 36.4 Any acceptance by a Tag Along Shareholder of a Tag Along Offer shall be irrevocable. But no sale of that Tag Along Shareholder's Shares pursuant to its acceptance shall take place unless and until the sale of the Selling Party's Shares is completed.
- 36.5 The expression **price per Share** used in Articles 36.1 and 36.3 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

37 PROCEEDINGS AT GENERAL MEETINGS

- 37.1 No business shall be transacted at a general meeting unless a quorum is present. Subject to Article 36.2, two Qualifying Persons, one of whom must be a Founder and one of whom must be an Early Stage Investor shall be a quorum. Paragraph 38 of the Model Articles shall not apply to the Company.
- 37.2 If, and for so long as, the Company has only one member one Qualifying Person shall be a quorum at any general meeting of the Company.
- 37.3 If, at an adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. Paragraph 41 of the Model Articles shall be modified accordingly.

- 37.4 A poll on a resolution may be demanded by any person having the right to vote on the resolution. Paragraph 44 of the Model Articles shall be modified accordingly.

38 PROXIES

- 38.1 Proxies may only be validly appointed by a notice in writing (a “**proxy notice**”) which:

- 38.1.1 states the name and address of the shareholder appointing the proxy;
- 38.1.2 identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
- 38.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 38.1.4 is delivered to the Company in accordance with the Articles not less than 24 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 a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.

- 38.2 Paragraph 45(1) of the Model Articles shall not apply to the Company.

39 NOTICES

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

- 39.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending (and the sending party receives a confirmation of delivery from the courier service provider));
- 39.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 39.1.3 if properly addressed and sent or supplied by electronic means, two hours after the document or information was sent or supplied; and
- 39.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

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

40 DIRECTORS’ INDEMNITY

40.1 Subject to the provisions of the Act (but so that this Article 40.1 does not extend to any matter insofar as it would cause this Article or any part of it to be void thereunder), the Company:

40.1.1 shall, without prejudice to any indemnity to which the person concerned may otherwise be entitled, indemnify any director or other officer (other than an auditor) of the Company and any associated company against all losses and liabilities incurred by him in the actual or purported execution, or discharge, of his duties in relation to:

- a) the Company;
- b) any associated company; and
- c) any occupational pension scheme of which the Company or any associated company is a trustee

including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings (whether civil or criminal) in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company, any associated company or any occupational pension scheme of which the Company or any associated company is a trustee; and

40.1.2 may, without prejudice to the provisions of Article 40.1.1, purchase and maintain insurance for any person who is or was a director or officer of the company or any associated company against any loss or liability which he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust or otherwise in relation to the Company, any associated company, any employees' share scheme of the Company or of any associated company or any occupational pension scheme of which the Company or any associated company is a trustee

where for the purposes of this Article 40.1, companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

40.2 Paragraphs 52 and 53 of the Model Articles shall not apply to the Company.