

Company number 09364895

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

SIMPLYCOOK LIMITED (the Company)

31 January 2017 (the Circulation Date)

Resolutions passed on 17 February 2017

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**) the directors of the Company (the **Directors**) propose that resolution 1 below be passed as an ordinary resolution and resolutions 2 and 3 below be passed as special resolutions (together the **Resolutions**)

Ordinary Resolution

1 Authority to allot

THAT in accordance with section 551 of the Act the Directors be generally and unconditionally authorised to allot shares in the capital of the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate amount of £38 68653 provided that this authority shall unless renewed varied or revoked by the Company expire no later than the date falling five years after the date of these Resolutions and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired This authority is in addition to all previous unexercised authorities conferred on the Directors in accordance with section 551 of the Act

Special Resolutions

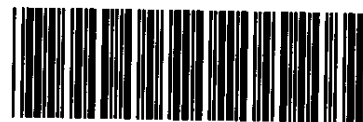
2 Disapplication of pre-emption rights

THAT subject to the passing of resolutions 1 in accordance with article 3 of the articles of association (the **Articles**) the Directors be generally empowered to allot equity securities as if the pre-emption rights pursuant to Article 3 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 £38 68653 and

2 2 expire on the date five years after the passing of these Resolutions (unless renewed varied or revoked by the Company prior to or on that date)

3 Adoption of new articles of association



A6272E5E
A21 14/03/2017 #229
COMPANIES HOUSE

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of the existing articles of association

Agreement

Please read the notes at the end of this document before signing your agreement to the Resolutions

The undersigned a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Oliver Ashness**



Date

17 February 2017

Signed by **James Davies**



Date

17 February 2017

Signed by **Christine Denham**

Date

Signed by **Jonathan James Foulds**

Date

Signed by **Spencer Hyman**

Date

Signed by **Richard Hywel Lewis Jones**

..

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association

Agreement

Please read the notes at the end of this document before signing your agreement to the Resolutions

The undersigned a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Oliver Ashness**

Date

Signed by **James Davies**

Date

Signed by **Christine Denham**



Date

17 February 2017

Signed by **Jonathan James Foulds**

Date

Signed by **Spencer Hyman**

Date

Signed by **Richard Hywel Lewis Jones**

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association

Agreement

Please read the notes at the end of this document before signing your agreement to the Resolutions

The undersigned a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Oliver Ashness**

Date

Signed by **James Davies**

Date

Signed by **Christine Denham**

Date

Signed by **Jonathan James Foulds**

Jonathan Foulds

Date

17 February 2017

Signed by **Spencer Hyman**

Date

Signed by **Richard Hwael Lewis Jones**

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association

Agreement

Please read the notes at the end of this document before signing your agreement to the Resolutions

The undersigned a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Oliver Ashness**

Date

Signed by **James Davies**

Date


Signed by **Christine Denham**

Date

Signed by **Jonathan James Foulds**

Date

Signed by **Spencer Hyman**


3 Feb 2017

Date

Signed by **Richard Hywel Lewis Jones**

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association

Agreement

Please read the notes at the end of this document before signing your agreement to the Resolutions

The undersigned a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Oliver Ashness**

Date

Signed by **James Davies**

Date

Signed by **Christine Denham**

Date

Signed by **Jonathan James Foulds**

Date

Signed by **Spencer Hyman**


Date

Signed by **Richard Hywel Lewis Jones**



Date

Signed by **Firoze Khambata**

17 February 2017


Date

17 February 2017

Signed by **Matt Wheeler**

Date

Signed by **Jonathan Wolfe**

Date

Signed by **Dena Ashness**

Date

Signed by **Richard Ashness**

Date

Signed on behalf of **Episode (GP) Ltd**

Date

Signed by **Hariharan Ramamurthy**

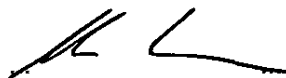
Date

Date

Signed by **Firoze Khambata**

Date

Signed by **Matt Wheeler**



Date

17 February 2017

Signed by **Jonathan Wolfe**

Date

Signed by **Dena Ashness**

Date

Signed by **Richard Ashness**

Date

Signed on behalf of **Episode (GP) Ltd**

Date

Signed by **Hariharan Ramamurthy**

Date

Signed by **Firoze Khambata**

Date


Signed by **Matt Wheeler**

Date

Signed by **Jonathan Wolfe**

Date

Signed by **Dena Ashness**



Date

31 01 2017

Signed by **Richard Ashness**



Date

31/01/2017

Signed on behalf of **Episode (GP) Ltd**

Date

Signed by **Hariharan Ramamurthy**

Date

Date

Signed by **Firoze Khambata**

Date

Signed by **Matt Wheeler**

Date

Signed by **Jonathan Wolfe**

Date

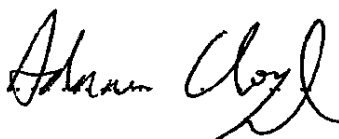
Signed by **Dena Ashness**

Date

Signed by **Richard Ashness**

Date

Signed on behalf of **Episode (GP) Ltd**

A handwritten signature in black ink, appearing to read 'Adam Lloyd', with a stylized flourish at the end.

Date

17 February 2017

Signed by **Harriharan Ramamurthy**

Date

Date

Signed by **Firoze Khambata**

Date

Signed by **Matt Wheeler**

Date

Signed by **Jonathan Wolfe**

Date

Signed by **Dena Ashness**

Date

Signed by **Richard Ashness**

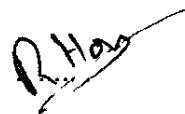
Date

Signed on behalf of **Episode (GP) Ltd**

Date

Signed by **Hariharan Ramamurthy**

Date



17 February 2017

Signed on behalf of WCS Nominees
Limited:

Date:

Signed by Al Loehle:

Date:

NOTES

- 1 If you agree with the Resolutions please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using the following method

- **by e mail** by attaching a scanned copy of the signed document to an e mail and sending it to oli@simplycook.com

If you do not agree to the Resolutions you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolutions you may not revoke your agreement
- 3 Unless by the date that is 28 days from the Circulation Date sufficient agreement has been received for the Resolutions to pass they will lapse If you agree to the Resolutions please ensure that your agreement reaches us before or during this date
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

**ARTICLES OF ASSOCIATION
OF
SIMPLYCOOK LIMITED**

ADOPTED BY SPECIAL RESOLUTION

ON 17 February 2017

CONTENTS

1	PRELIMINARY	3
2	INTERPRETATION	3
3	ISSUES OF NEW SECURITIES	12
4	ALLOCATION OF PROCEEDS ON AN EXIT	13
5	ANTI DILUTION RIGHTS	15
6	CONVERSION OF SEED SHARES	17
7	LIEN	18
8	TRANSFER OF SHARES – GENERAL	18
9	PERMITTED TRANSFERS	20
10	TRANSFERS OF SHARES SUBJECT TO PRE EMPTION RIGHTS	21
11	VALUATION OF SHARES	25
12	COMPULSORY TRANSFERS – GENERAL	26
13	COMPULSORY TRANSFERS – RELEVANT EMPLOYEES	27
14	DRAG ALONG	29
15	TAG ALONG	30
16	CO-SALE	31
17	NOTICE OF GENERAL MEETINGS	32
18	PROCEEDINGS AT GENERAL MEETINGS	32
19	VOTE OF SHAREHOLDERS	33
20	NUMBER OF DIRECTORS	33
21	ALTERNATE DIRECTORS	33
22	APPOINTMENT AND RETIREMENT OF DIRECTORS	34
23	DISQUALIFICATION AND REMOVAL OF DIRECTORS	35
24	DIRECTORS INTERESTS	36
25	PROCEEDINGS OF DIRECTORS	39
26	THE SEAL	40
27	CAPITALISATION OF PROFITS	41
28	GRATUITIES AND PENSIONS	41
29	NOTICES	41
30	INDEMNITY	42
31	VARIATION OF CLASS RIGHTS	43
32	EXIT	44
33	TREASURY SHARES	44
34	B SHARES	44
35	SHARE CERTIFICATES	45

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
SIMPLYCOOK LIMITED

Adopted by Special Resolution passed on 17 February 2017

1 PRELIMINARY

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the **Model Articles**) shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with the following Articles

Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company

- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment modification re enactment and extension thereof for the time being in force

Articles 8 9 11(2) 12 13 14 16 18 19 22(2) 26(5) 28 29 44(4) 51 52 and 53 of the Model Articles shall not apply to the Company

2 INTERPRETATION

In these Articles the following expressions have the following meanings unless inconsistent with the context

Act	means the Companies Act 2006 including any statutory modification or re enactment thereof for the time being in force
Adoption Date	means the date of adoption of these Articles
Asset Sale	means the sale or transfer of the whole or substantially the whole of the undertaking or assets of the Company or any Subsidiary of the Company
these Articles	means these Articles of Association whether as originally adopted or as from time to time altered by special resolution

Associate	<p>in relation to any person means</p> <p>(a) any person who is an associate of such person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 or</p> <p>(b) any Member of the same Group</p>
Auditors	means the auditors of the Company from time to time
Available Profits	means profits available for distribution within the meaning of part 23 of the Act
B Shares	the B shares of £1 each in the capital of the Company
Bad Leaver	<p>means a Relevant Employee who</p> <p>(a) ceases to be an employee or consultant of a Group Company where such cessation is due to (i) his voluntary departure or (ii) dismissal by the Company from his service contract employment contract or consultancy agreement (as the case may be) for Cause other than where he is found by an employment tribunal to have been unfairly dismissed or</p> <p>(b) commits a material breach of the Investment Agreement which cannot effectively be remedied (without loss to the Company or the Investors) or which the Relevant Employee fails effectively to remedy (without loss to the Company or the Investors) within 15 Business Days of receipt of a notice in writing from an Investor specifying the breach and requiring remedy or</p> <p>(c) applies for an interim order (within the meaning of the Insolvency Act 1986) or enters into an individual voluntary arrangement or is made bankrupt or makes an arrangement or composition with his creditors</p>
Board	means the board of Directors

**Bonus Issue or
Reorganisation**

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

Business Day

means any day (other than a Saturday Sunday or a bank or public holiday in England)

Cause

means any of the following circumstances

- (a) gross misconduct or a material or repudiatory breach of the terms of his contract of employment or consultancy (as the case may be)
- (b) his fair dismissal pursuant to section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996
- (c) fraud acts of dishonesty or any acts that are injurious to or materially discredit the Company or its reputation (as determined by the Directors acting reasonably) and/or
- (d) being convicted of or entering a plea of no contest to a criminal offence (other than a driving offence carrying only a non custodial sentence)

Civil Partner'

means in relation to a Shareholder a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder

Controlling Interest

means an interest in shares giving to the holder or holders control of the Company within the meaning of section 450 of the Corporation Tax Act 2010

Crowdcube Nominee

means WCS Nominees Limited (company number 06002307) or such other nominee company approved by the Board from time to time to act as trustee for certain Shareholders who have subscribed for Shares in the Company through the crowdfunding platform operated by Crowdcube Capital Limited

Deferred Shares	means the deferred shares of £0 00001 each in the capital of the Company
Director(s)	means a director or the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company
Employee Trust	means a trust the terms of which are approved by Investor Majority Consent whose beneficiaries are the employees of a Group Company
Episode 1	means Episode 1 Investments LP acting through its general partner Episode (GP) Ltd or an Investor Affiliate
Exit	means a Share Sale Asset Sale or IPO
Expert	has the meaning given in Article 11 2
Fair Value	is as determined in accordance with Article 11 3
Family Trust	means as regards any particular individual member or deceased or former individual member trusts (whether arising under a settlement declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons
Founder	means Oliver Ashness for so long as he remains a Shareholder
Fund Manager	means a person whose principal business is to make operate manage or advise upon collective investments in securities

Good Leaver'	means a Relevant Employee who ceases to be an employee or consultant of a Group Company and <ul style="list-style-type: none"> (a) who is not a Bad Leaver or (b) who is determined to be a Good Leaver by the Board including the Investor Director
Group Company	the Company and any company which is a Holding Company of the Company or a Subsidiary of the Company or of such Holding Company
Holding Company	has the meaning set out in section 1159 of the Act
Investment Agreement	means the investment and shareholders agreement relating to the Company dated on or about the Prior Adoption Date as amended from time to time
Investment Fund	means a fund partnership company syndicate or other entity whose business is managed by a Fund Manager
Investor	means Episode 1 and Maxfield Capital
Investor Affiliate	means with respect to an Investor <ul style="list-style-type: none"> (a) which is an undertaking (as defined in section 1161(1) of the Act) any Member of the same Group or (b) which is an Investment Fund any nominee partner general partner Fund Manager investor member or participant of or in such Investment Fund or (c) which is a Fund Manager any Investment Fund now or hereafter existing which is operated or managed by such Fund Manager or by any Member of the same Group
Investor Director	means the director appointed by Episode 1 pursuant to Article 22 1
Investor Director Consent	means the written consent of the Investor Director where such consent shall be in writing by email or as accurately recorded in the minutes of the Board meetings

Investor Majority	means the holders of in excess of 50 per cent of the Seed Shares from time to time
Investor Majority Consent	means the prior written consent of the Investor Majority
IPO '	means admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests American depositary receipts American depositary shares and/or other instruments) on NASDAQ or to the official list maintained by the UK Listing Authority or the daily official list of the London Stock Exchange plc or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000)
Leaver	means a Good Leaver or a Bad Leaver
Managers	means Jonathan Foulds and Hariharan Ramamurthy
Maxfield Capital	means Maxfield Capital Fund 1 LP or an Investor Affiliate
Maxfield Director	means the director appointed by Maxfield Capital pursuant to Article 22 3
Member of the same Group	means as regards any undertaking a company which is for the time being a Holding Company or a Subsidiary of that undertaking or a Subsidiary of any such Holding Company
NASDAQ	means the NASDAQ Stock Market of the NASDAQ OMX Group Inc
New Securities	any shares or other securities convertible into or carrying the right to subscribe for such shares issued by the Company after the Adoption Date
Office	means the registered office of the Company
Ordinary Shares	means the ordinary shares of £0 00001 each in the capital of the Company
Ordinary Shareholders	means the holders of Ordinary Shares from time to time and Ordinary Shareholder' shall be constructed accordingly
Permitted Transferee	means

- (a) in relation to a Shareholder who is an individual any of his Privileged Relations or Trustees or
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) any Member of the same Group or
- (c) in relation to Shareholders who are employees of a Group Company to and from an employee benefit trust or
- (d) in relation to the Investor any Investor Affiliate

Pre IPO Valuation means the result of multiplying the total number of ordinary shares in issue immediately after the IPO (but excluding any new ordinary shares issued upon the IPO) by the subscription price per share (including any premium) in respect of new ordinary shares issued at the time of the IPO

Privileged Relation means in relation to a Shareholder who is an individual member or deceased or former member means a spouse civil partner child or grandchild (including step or adopted or illegitimate child and their issue)

Prior Adoption Date 19 March 2015

Proceeds of Sale means the consideration payable (including any deferred consideration) whether in cash or otherwise to those shareholders selling shares pursuant to a Share Sale less any fees costs and expenses payable in respect of such Share Sale as approved by an Investor Majority

Proceeds Per Share means the amount per Share that would be received by a holder of Seed Shares on an as converted basis as if they held Ordinary Shares at the time of a winding up liquidation or other return on capital as determined by dividing a) the Surplus Assets or b) in the case of a Share Sale the Proceeds of Sale or c) in the case of an Asset Sale the Asset Sale Proceeds by the aggregate number of Shares in issue on a fully diluted basis (excluding any B Shares or Deferred Shares)

Qualifying Shares means the Seed Shares and the Ordinary Shares excluding any Shares held by the Crowdcube Nominee

Qualifying Shareholder'	means each holder of Qualifying Shares and Qualifying Shareholder' shall be construed accordingly
Relevant Employee	means the Founder and each Manager
Relevant Employee Shares	<p>in relation to a Relevant Employee means all of the Shares in the Company held by</p> <p>(a) that Relevant Employee (as the case may be) and</p> <p>(b) in the event that the Relevant Employee has transferred any of his Shares held as at the Prior Adoption Date to a <i>Permitted Transferee</i> by any <i>Permitted Transferee</i> of that Relevant Employee other than those Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Relevant Employee by reason of their relationship with that Relevant Employee</p>
Relevant Percentage	shall have the meaning given in Article 13 4
Sale Shares	has the meaning set out in Article 10 2 1 of these Articles
Seal	means the common seal of the Company (if any)
Secretary	means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company including a joint assistant or deputy secretary
Seed Shares	means the seed shares of £0 00001 each in the capital of the Company
Seller	has the meaning given in Article 10 2
Shares	means the Seed Shares and the Ordinary Shares and any other class of share in the capital of the Company (other than the Deferred Shares and B Shares) subsequently created or issued and Share shall be constructed accordingly
Share Option Scheme	means the existing share option scheme as at the Adoption Date and any share option scheme in favour of the Company's employees approved by Investor Director Consent

Share Sale	means the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which will result in the purchaser of such Shares (or grantee of such right) and persons connected (in terms of section 1122 of the Corporation Tax Act 2010) with him gaining a Controlling Interest in the Company
Shareholders	means the holders of Shares from time to time and "Shareholder" shall be constructed accordingly
Starting Price	means the subscription price paid on issue of a Seed Share or such equivalent value that may result from any sub division consolidation reclassification or any other reorganisation of the share capital of the Company as approved by an Investor Majority
Subsidiary	has the meaning set out in section 1159 of the Act
Threshold Price	means 60 pence per Share or such equivalent value that may result from any sub division consolidation reclassification or any other reorganisation of the share capital of the Company as approved by an Investor Majority
Transfer Price	has the meaning given in Article 10 2 3
Trust	means a trust (whether arising under a settlement declaration of trust or other instrument by whomsoever or wheresoever made) whereby a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied to or for the benefit of a person other than the Trustees or any voting or other rights attaching thereto are exercisable by or as directed by a person other than the Trustees pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons
Trustees	in relation to a Shareholder means the trustee or the trustees of a Family Trust or a Trust and
United Kingdom	means the United Kingdom of Great Britain and Northern Ireland

Unless the context otherwise requires words or expressions contained in these Articles and the Model Articles bear the same meaning as in the Act but

excluding any statutory modification thereof not in force when these Articles become binding on the Company

2 1 The objects of the Company are unlimited

2 1 The Company shall not be limited by an authorised share capital. Except as otherwise provided in these Articles, the Seed Shares and the Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares. The B Shares shall have the rights attached to them as set out at **Articles 4, 1, 2 and 34**.

2 2 The Company may purchase its own Shares with cash to the extent permitted by section 692(1)(b) of the Act.

3 ISSUES OF NEW SECURITIES

3 1 Subject to **Article 3.6**, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all Shareholders (the **Subscribers**) on the same terms and at the same price as those New Securities are being offered to other persons on a *pari passu* and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions). The offer

3 1 1 shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the **Subscription Period**) and give details of the number and subscription price of the New Securities, and

3 1 2 may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.

3 2 If at the end of the Subscription Period the number of New Securities applied for is equal to or exceeds the number of New Securities proposed, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Shares held by such Subscribers, which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).

3 3 If at the end of the Subscription Period the number of New Securities applied for is less than the number of New Securities proposed, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be allotted to any other person as the Directors (including the Investor Director) may determine at the same price and on the same terms as the offer to the Subscribers.

3 4 Subject to the requirements of **Articles 3.1 to 3.3** (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by an Investor Majority.

- 3 5 For purposes of **Articles 3 1 to 3 4** any right of an Investor to apply for the subscription of any shares may be assigned to one or more Investor Affiliates providing that the voting rights attached to any such Shares allotted to such Investor Affiliate are exercisable by that Investor
- 3 6 The provisions of **Articles 3 1 to 3 4** shall not apply to shares issued as a result of or in connection with
- 3 6 1 a Share Option Scheme
 - 3 6 2 the application of **Article 5 1 to Article 5 2**
 - 3 6 3 a Bonus Issue or Reorganisation approved by Investor Majority Consent
 - 3 6 4 the issue of New Securities which has been approved by special resolution of the Company and with Investor Majority Consent
 - 3 6 5 a conversion of Seed Shares to Ordinary Shares
 - 3 6 6 any matter pursuant to Article 36 of the Model Articles
 - 3 6 7 the acquisition of the shares business or undertaking of any other person by the Company approved by Investor Majority Consent and
 - 3 6 8 shares or options for shares to be issued or granted in accordance with the terms of the Investment Agreement
- 3 7 In accordance with section 567(1) of the Act sections 561 562 and 568(3) of the Act shall not apply to the Company

4 ALLOCATION OF PROCEEDS ON AN EXIT

- 4 1 On a distribution of assets on a liquidation or a return of capital (other than a conversion redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities (the **Surplus Assets**) shall be applied (to the extent that the Company is lawfully permitted to do so) as follows
- 4 1 1 first in paying to each of the holders of the Seed Shares (other than Deferred Shares) an amount per share held equal to the amount subscribed or deemed to have been subscribed (including premium) for such share or if the Surplus Assets are insufficient to meet such liability then pro rata in accordance with the amount subscribed or deemed to have been subscribed (including premium)
 - 4 1 2 second (subject always to **Article 34**) in paying the holders of B Shares either
 - 4 1 2 1 the sum of £1 in aggregate for all of the B Shares as a class where the Proceeds Per Share is below the Threshold Price or

- 4 1 2 2 the sum of £150 000 in aggregate for all of the B Shares as a class where the Proceeds Per Share is equal to or greater than the Threshold Price and
 - 4 1 3 third in paying the holders of Deferred Shares (if any) £1 00 in aggregate for all Deferred Shares and
 - 4 1 4 fourth in paying to all Shareholders (other than the holders of Deferred Shares and B Shares) an amount equal to any declared but unpaid dividends or if the Surplus Assets are insufficient to meet such liability then pro rata in accordance with the amount of any declared but unpaid dividend and
 - 4 1 5 fifth in distributing the balance of the Surplus Assets between the holders of Ordinary Shares pro rata in accordance with the number of Ordinary Shares held by such Shareholders
- 4 2 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in **Article 4 1** and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale
 - 4 2 1 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in **Article 4 1** and
 - 4 2 2 the Shareholders shall take any action required by an Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in **Article 4 1**
- 4 3 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities (**Asset Sale Proceeds**) shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in **Article 4 1** provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles the Shareholders shall take any action required by an Investor Majority (including but without prejudice to the generality of this **Article 4 3** actions that may be necessary to put the Company into voluntary liquidation so that **Article 4 1** applies)
- 4 4 Upon an IPO
 - 4 4 1 the Company shall issue to each holder of Seed Shares such number (if any) of Ordinary Shares such that the proportion which the Ordinary Shares held by that Shareholder (including the Seed Shares converted into Ordinary Shares upon the IPO) bears to the issued ordinary share capital following the completion of all such issues and the conversion of all Seed Shares shall be equal to the proportion that the proceeds that shareholder would have been entitled to receive on a Share Sale on that date would bear to the valuation of the Company at that date (assuming that the valuation of the Company was equal to the Pre IPO Valuation)

- 4.4.2 the additional Ordinary Shares shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and such additional Ordinary Shares shall be issued at par fully paid. Such capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on such capitalisation to the Shareholders entitled to them in accordance with this Article. To the extent that there is insufficient share capital to effect the said issue the Directors shall procure (so far as they are able) that the Company's share capital is increased to the extent necessary to permit the issue required and all Shareholders shall vote in favour of the necessary resolutions to effect such increase and
- 4.4.3 if applicable the Company shall issue at par to each holder of Seed Shares such number (if any) of Ordinary Shares credited as fully paid which at the offer/placing price on IPO have an aggregate value equal to any arrears or accruals of dividend in respect of the Seed Shares

5 ANTI DILUTION RIGHTS

- 5.1 If New Securities are issued by the Company at a price per New Security less than the Starting Price other than as described in **Article 5.4** below (a **Qualifying Issue**) (which if the New Security is not issued for cash shall be a price certified by the Auditors or upon the request of any party such firm of accountants as the Company and an Investor Majority may agree failing agreement as recommended by the President for the time being of the Institute of Chartered Accountants (for the purposes of this **Article 5** the **Auditors**) acting as experts and not as arbitrators as being in their opinion the current cash value of the new cash consideration for the allotment of the New Securities) then the Company shall unless an Investor Majority has specifically waived the rights of the holders of Seed Shares as a class under this **Article 5.1** in writing offer (such offer unless waived to remain open for acceptance for at least ten Business Days) to each holder of Seed Shares (the **Exercising Investor**) the right to receive such number of new Seed Shares by applying the following formula (and rounding the product N down to the nearest whole share) subject to adjustment as certified in accordance with **Article 5.3** (the **Anti Dilution Shares**)

$$N = \left(\left(\frac{SIP}{WA} \right) \times Z \right) - Z$$

where

N = the number of Anti Dilution Shares to be issued to the Exercising Investor

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = the Starting Price

ESC = the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non cash consideration for the allotment of each New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue and

Z = the number of Seed Shares held by the Exercising Investor prior to the Qualifying Issue

5 2 The Anti Dilution Shares shall

5 2 1 be paid up by the automatic capitalisation of available reserves of the Company unless and to the extent that the same shall be impossible or unlawful or the Exercising Investors shall agree otherwise in which event the Exercising Investors shall be entitled to subscribe for the Anti Dilution Shares in cash at par value In the event of any dispute between the Company and any Exercising Investor as to the effect of this **Article 5** the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti Dilution Shares to be issued The Auditor's certification of such matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor and

5 2 2 subject to the payment of any cash payable pursuant to **Article 5 2 1** (if applicable) be issued credited fully paid up in cash and shall rank equally in all respects with the existing Seed Shares within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor pursuant to **Article 5 2 1**

5 3 In the event of any Bonus Issue or Reorganisation the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Board with Investor Majority Consent within 10 Business Days after any Bonus Issue or Reorganisation If the Board and the Investor Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall in the absence of manifest error be final and binding on the Company and each of its Shareholders The costs of the Auditors shall be borne by the Company

5 4 The provisions of **Article 5** shall not apply to share issues

5 4 1 on conversion of any Seed Shares into Ordinary Shares or as a dividend or distribution on the Seed Shares

- 5 4 2 by way of a rights issue on any Seed Shares approved by Investor Majority Consent
- 5 4 3 on the conversion of any debenture warrant option or other convertible security approved by Investor Majority Consent
- 5 4 4 pursuant to a reorganisation of subdivisions of the share capital of the Company approved by Investor Majority Consent or
- 5 4 5 pursuant to any options to purchase Ordinary Shares held by employees consultants or directors under any plan approved by the Board with Investor Majority Consent

6 CONVERSION OF SEED SHARES

- 6 1 Any holder of Seed Shares shall be entitled by notice in writing to the Company to require conversion into Ordinary Shares of any of the Seed Shares held by them at any time and those Seed Shares shall convert automatically on the date the holder of those Seed Shares (the **Conversion Date**) gives notice that they require such conversion. The holder may in such notice state that conversion of the relevant number of its Seed Shares into Ordinary Shares is conditional upon the occurrence of particular events (the **Conditions**)
- 6 2 Subject to **Article 4 4** all of the Seed Shares shall automatically convert into Ordinary Shares immediately upon the occurrence of a IPO
- 6 3 In the case of (i) **Article 6 1** at least five Business Days after the Conversion Date or (ii) **Article 6 2** at least five Business Days prior to the occurrence of the IPO each holder of the relevant Seed Shares shall deliver the certificate(s) (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) in respect of the shares being converted for such shares to the Company at its registered office for the time being
- 6 4 Where conversion is mandatory on the occurrence of a IPO that conversion will be effective only immediately prior to such IPO (and **Conversion Date** shall be construed accordingly) and if such IPO does not become effective or does not take place such conversion shall be deemed not to have occurred. In the event of a conversion under **Article 6 1** if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred
- 6 5 On the Conversion Date the relevant Seed Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Seed Share held (subject to any proportional adjustment made pursuant to **Article 4 4 1** if applicable) and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares
- 6 6 The Company shall on the Conversion Date enter the holder of the converted Seed Shares on the register of Shareholders of the Company as the holder of the appropriate number of Ordinary Shares and subject to the relevant holder delivering its certificate(s) (or indemnity) in respect of the Seed Shares in accordance with this Article the Company shall within 10 Business Days of the Conversion Date forward to such holder of Seed Shares by post to his

address shown in the register of Shareholders free of charge a definitive certificate for the appropriate number of fully paid Ordinary Shares

- 6 7 The Investor Majority shall be entitled by notice in writing to the Company to require conversion into Ordinary Shares of all of the Seed Shares and those Shares shall convert automatically on the date of such notice. The Investor Majority may in such notice state that conversion of Shares of any class into Ordinary Shares is conditional upon the occurrence of particular events

7 LIEN

- 7 1 The Company shall have a first and paramount lien on all Shares whether fully paid or not standing registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company

8 TRANSFER OF SHARES – GENERAL

- 8 1 In **Articles 8 to 16** inclusive reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share
- 8 2 No Share may be transferred unless the transfer is made in accordance with these Articles and the Directors shall refuse to register any transfer not made in accordance with these Articles
- 8 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 8 4 Any transfer of a Share by way of sale which is required to be made under **Articles 10 to 16** (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee
- 8 5 The Directors may as a condition to the registration of any transfer of Qualifying Shares in the Company (whether pursuant to a Permitted Transfer or otherwise) require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Investment Agreement or similar document in force between some or all of the Shareholders and the Company in any 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) and if any condition is imposed in accordance with this **Article 8 5** the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee
- 8 6 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose to furnish to the Company that

information and evidence the Directors may request regarding any matter which they deem relevant to that purpose including (but not limited to) the names addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur

8 6 1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights

8 6 1 1 to vote whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor or

8 6 1 2 to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares and

8 6 2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder

The rights referred to in **Article 8 6 1** above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in **Article 8 6 2** above

8 7 In any case where the Board may require a Transfer Notice to be given in respect of any Shares if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made a Transfer Notice shall be deemed to have been given at the expiration of that period If a Transfer Notice is required to be given or is deemed to have been given under these Articles the Transfer Notice will be treated as having specified that

8 7 1 the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller or failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given will be the Fair Value of the Sale Shares

8 7 2 it does not include a Minimum Transfer Condition (as defined in **Article 10 2 4** and

8 7 3 the Seller wishes to transfer all of the Shares held by it

8 8 Where any transfer of Seed Shares is to be made in accordance with these Articles to a Shareholder who does not at the time of such transfer hold Seed Shares such Seed Shares shall automatically convert into Ordinary

Shares (or such other existing class as the Board with Investor Majority Consent may agree) unless by an Investor to a Permitted Transferee or otherwise agreed by the Board with Investor Majority Consent

9 PERMITTED TRANSFERS

- 9 1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise
- 9 2 Shares previously transferred as permitted by **Article 9 1** may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise
- 9 3 Where under the provision of a deceased Shareholder's will or laws as to intestacy the persons legally or beneficially entitled to any Shares whether immediately or contingently are Permitted Transferees of the deceased Shareholder the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees in each case without restriction as to price or otherwise
- 9 4 If a Permitted Transferee which was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder the Permitted Transferee must not later than fifteen Business Days after the date on which the Permitted Transferee so ceases transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares
- 9 5 Trustees may (i) transfer Shares to a company in which they hold the whole of the share capital and which they control (a **Qualifying Company**) or subject to the consent of the Board in each case (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise
- 9 6 No transfer of Shares may be made to Trustees unless the Board is satisfied
- 9 6 1 with the terms of the trust instrument and in particular with the powers of the trustees
- 9 6 2 with the identity of the proposed trustees
- 9 6 3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's share capital being held by trustees of that and any other trusts and
- 9 6 4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company
- 9 7 If a company to which a Share has been transferred under **Article 9 6** ceases to be a Qualifying Company it must within fifteen Business Days of so

ceasing transfer the Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares

- 9 8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must within fifteen Business Days of so ceasing either

9 8 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them or

9 8 2 give a Transfer Notice to the Company in accordance with **Article 10 2**

failing which he shall be deemed to have given a Transfer Notice

- 9 9 On the death (subject to **Article 9 3**) bankruptcy liquidation administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy or its liquidator administrator or administrative receiver must within fifteen Business Days after the date of the grant of probate the making of the bankruptcy order or the appointment of the liquidator administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or if so directed by the Original Shareholder to any Permitted Transferee of the Original Shareholder If the transfer is not executed and delivered within fifteen Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation administration or administrative receivership the personal representative or trustee in bankruptcy or liquidator administrator or administrative receiver will be deemed to have given a Transfer Notice

- 9 10 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company which has been approved by a majority of the Board and with Investor Majority Consent

10 TRANSFERS OF SHARES SUBJECT TO PRE EMPTION RIGHTS

- 10 1 Save where the provisions of **Articles 9 10 10 14 14 1** or **16 2** apply any transfer of Shares by a Shareholder shall be subject to the pre emption rights contained in this **Article 10**

- 10 2 A Shareholder who wishes to transfer Shares (a **Seller**) shall except as otherwise provided in these Articles before transferring or agreeing to transfer any Shares give notice in writing (a **Transfer Notice**) to the Company specifying

10 2 1 the number of Shares which he wishes to transfer (the **Sale Shares**)

- 10 2 2 if he wishes to sell the Sale Shares to a third party the name of the proposed transferee
- 10 2 3 the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (the **Transfer Price**) and
- 10 2 4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a **Minimum Transfer Condition**)
- 10 3 Except with Board approval no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn
- 10 4 A Transfer Notice constitutes the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 10 5 As soon as practicable following the later of
- 10 5 1 receipt of a Transfer Notice and
- 10 5 2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served and such Transfer Notice requires a determination of the Transfer Price in accordance with these Articles the determination of the Transfer Price under **Article 11**

the Board shall offer the Sale Shares for sale to the Qualifying Shareholders in the manner set out in **Articles 10 6** and **10 7** Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

10 6 The Offer

- 10 6 1 As soon as practicable following the receipt of a Transfer Notice (or in the case where the Transfer Price has not been agreed the determination of the Transfer Price under **Article 11**) the Company shall give notice in writing to each Qualifying Shareholder other than the Seller (each an **Eligible Shareholder**)
- 10 6 1 1 inviting him to apply for the Sale Shares at the Transfer Price
- 10 6 1 2 stating that he will have a period of at least 14 days from the date of the notice in which to apply
- 10 6 1 3 stating that the Sale Shares shall be offered to each Eligible Shareholder on a pro rata basis in proportion (as nearly as may be) to his existing holdings of Shares (his **Proportionate Allocation**)
- 10 6 1 4 inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation (**Extra Shares**) and if so the number of Extra Shares and

10 6 1 5 save where the Sale Shares are being offered in accordance with **Article 13** if he is not willing to purchase any Sale Shares inviting him to indicate whether he wishes to sell shares under the terms of **Article 16**

10 7 Completion of transfer of Sale Shares

10 7 1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under **Articles 10 6** stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

10 7 2 On expiry of an offer made in accordance with **Article 10 6 1** (or sooner if applications or refusals have been received from all Eligible Shareholders) the Company shall allocate the Sale Shares as follows

10 7 2 1 if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares each Eligible Shareholder shall be allocated the number applied for by him or

10 7 2 2 if the total number of Sale Shares applied for is more than the available number of Sale Shares each Eligible Shareholder shall be allocated his Proportionate Allocation or if less the number of Sale Shares for which he has applied and

10 7 2 3 applications for Extra Shares shall be allocated in accordance with such applications or in the event of competition among those Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all Shares have been allocated

10 7 2 4 fractional entitlements shall be rounded to the nearest whole number

10 7 3 The Company shall give written notice of allocation (an **Allocation Notice**) to the Seller which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares

10 7 4 Upon service of an Allocation Notice the Seller must against payment of the Transfer Price transfer the Sale Shares in accordance with the requirements specified in it

10 7 5 If the Seller fails to comply with the provisions of **Article 10 7 4**

10 7 5 1 the Chairman or failing him one of the directors or some other person nominated by a resolution of the Board may as agent and/or attorney on behalf of the Seller

10 7 5 1 1 complete execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants

10 7 5 1 2 receive the Transfer Price and give a good discharge for it and

10 7 5 1 3 (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them and

10 7 5 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate)

10 7 6 If an Allocation Notice does not relate to all the Sale Shares then subject to **Article 10 7 7** the Seller may but subject to **Article 16** within eight weeks after service of the Allocation Notice transfer the applicable Sale Shares to any person at a price at least equal to the Transfer Price provided that the sale of the applicable Sale Shares shall continue to be subject to any Minimum Transfer Conditions

10 7 7 The right of the Seller to transfer Shares under **Article 10 7 6** does not apply if the Board is of the opinion on reasonable grounds that

10 7 7 1 the transferee is a person (or a nominee for a person) who the Board determines in its absolute discretion is a competitor with (or an Associate of a competitor with) the business of a Group Company or

10 7 7 2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction rebate or allowance to the transferee or

10 7 7 3 the transferee has not signed a deed of adherence to the Investment Agreement (unless the transfer is in respect of non Qualifying Shares or such requirement has been waived by the Board with Investor Majority Consent) or

10 7 7 4 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

10 8 Any Sale Shares offered under this **Article 10** to an Investor may be accepted in full or part only by an Investor Affiliate of the Investor

10 9 Notwithstanding any provision of these Articles no Shares held by the Founder or Manager may be transferred without Investor Majority Consent

10 10 The restrictions imposed by this **Article 10** may be waived in relation to any proposed transfer of shares with Investor Majority Consent

11 VALUATION OF SHARES

11 1 If no price is agreed between the Seller and the Board (including the Investor Director) then upon service of the Transfer Notice the Board shall either

11 1 1 appoint an expert in accordance with **Article 11 2** (the **Expert**) to certify the Fair Value of the Sale Shares or

11 1 2 if the Fair Value has been certified by the Expert within the preceding 12 weeks specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares that are the subject of the Transfer Notice

11 2 The Expert will be either

11 2 1 the Auditors or

11 2 2 if so specified in the relevant Transfer Notice (other than a deemed Transfer Notice pursuant to **Article 13**) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and appointed by the Company

11 3 The **Fair Value** of the Sale Shares shall be determined by the Expert on the following assumptions and bases

11 3 1 valuing the Sale Shares as on an arm's length sale between a willing seller and a willing buyer

11 3 2 if the Company is then carrying on business as a going concern on the assumption that it will continue to do so

11 3 3 that the Sale Shares are capable of being transferred without restriction

11 3 4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (plus all options or other securities convertible into Shares that have been granted or issued but excluding unallocated shares in any share option pool of the Share Option Scheme) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent and

11 3 5 reflecting any other factors which the Expert reasonably believe should be taken into account

11 4 If any difficulty arises in applying any of these assumptions or bases then the Expert shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit

11 5 The Expert shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination

11 6 The Expert shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)

11 7 The Board will give the Expert access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose

11 8 The Expert shall deliver their certificate to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller Unless the shares are to be sold under a Transfer Notice which is deemed to have been served the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate cancel the Company's authority to sell the Sale Shares

11 9 The cost of obtaining the certificate shall be paid by the Company unless

11 9 1 the Seller cancels the Company's authority to sell or

11 9 2 the sale is pursuant to a Transfer Notice which is deemed to have been served and the Sale Price certified by the Expert is less than the price (if any) offered by the directors to the Seller for the Sale Shares before the Expert was instructed

in which case the Seller shall bear the cost

12 COMPULSORY TRANSFERS – GENERAL

12 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors may determine

12 2 If a Shareholder (other than an Investor) which is a body corporate either suffers or resolves to appoint a liquidator administrator or administrative receiver over it or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales that Shareholder and its Permitted Transferees 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

12 3 If there is a change in control (as control is defined in section 450 of the Corporation Tax Act 2010) of any Shareholder which is a company it shall be bound at any time if and when required in writing by the Directors to do so to give (or procure the giving in the case of a nominee) a Transfer Notice in

respect of all the Shares registered in its name (or the name of its nominee(s)) save that where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This **Article 12 3** shall not apply to an Investor

- 12 4 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either

12 4 1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer) or

12 4 2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder

If either requirement in this **Article 12 4** shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine

13 COMPULSORY TRANSFERS – RELEVANT EMPLOYEES

- 13 1 Subject to **Article 13 3** if a Relevant Employee is a Bad Leaver prior to the end of a 36 month period from the Prior Adoption Date the Relevant Percentage of the Relevant Employee Shares shall immediately convert into Deferred Shares (rounded to the nearest whole number) and if applicable **Article 34 4** shall apply in respect of any B Shares held by such Relevant Employee

- 13 2 Subject to **Article 13 3** if the Relevant Employee is a Good Leaver Transfer Notices in respect of the Relevant Percentage of the Relevant Employee Shares held by him (and any Permitted Transferees) shall at that time shall be deemed to have been served on his behalf and **Article 10** shall apply save that **Article 10 2 3** shall be deemed to require Investor Director Consent as well as Board consent and if the same has not already occurred the Relevant Employee shall also be deemed to have resigned as an employee or consultant

- 13 3 On an Exit all Relevant Employee Shares shall be deemed to be fully vested and shall not be subject to the provisions of this **Article 13** provided always that any Shares previously converted to Deferred Shares pursuant to this **Article 13** shall remain as Deferred Shares subject to the provisions of these Articles setting out the rights attached to Deferred Shares

- 13 4 For the purposes of **Articles 13 1 and 13 2** the term **Relevant Percentage** means 72% of all the Relevant Employee Shares less an amount equal to 2 0% of the number of Relevant Employee Shares on the Prior Adoption Date for each number of complete calendar months from the Prior Adoption Date to the nearest whole number

13 5 For the purposes of this Article the Relevant Employee Shares shall be offered such that the Relevant Percentage of the Relevant Employee Shares held if the Relevant Employee is a Good Leaver are offered in the following order or priority

13 5 1 first to the Company for repurchase into treasury

13 5 2 second to such employees consultants or officers of a Group Company as the Company shall determine (with the consent of the Investor Director) and

13 5 3 third to all other Qualifying Shareholders in accordance with the process set out in **Article 10**

(and **Article 10 7 5** shall be deemed to apply *mutatis mutandis* should a Good Leaver fail to execute any documentation required to be signed in order to comply with his obligations under this **Article 13 5**)

13 6 For the purposes of these Articles the Transfer Price in respect of the Relevant Percentage of Shares held by a Good Leaver shall be deemed to be the Fair Value of such Shares

13 7 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of to attend to speak or to vote at any general meeting of the Company nor to receive or vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company

13 8 The Deferred Shares shall not entitle the holder of them to receive any dividends of the Company on such Deferred Shares

13 9 Any Deferred Shares which were issued as redeemable shares may be redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder without obtaining the sanction of the holder or holders

13 10 The allotment or issue of Deferred Shares or the conversion of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment issue or conversion to appoint any person to execute or give on behalf of the holder of those Deferred Shares

13 10 1 an agreement to transfer and a transfer of such Deferred Shares to such person or persons as the Company may determine and/or

13 10 2 a consent to the cancellation of such Deferred Shares and/or

13 10 3 an agreement to transfer and a transfer of such Deferred Shares to such person or persons as the Company may determine as custodian thereof and/or

13 10 4 an agreement for the Company to purchase such Deferred Shares in accordance with the Act

in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares so purchased without obtaining the sanction

of such holder or holders and pending such transfer and/or purchase to retain the certificates (if any) in respect thereof

14 DRAG ALONG

- 14 1 If the Investor Majority and the holders of more than 50% of the Shares (the **Selling Shareholders**) wish to transfer all their interest in Shares (the **Sellers Shares**) to a proposed purchaser who has made an offer on arm's length terms (the **Proposed Purchaser**) the Selling Shareholders shall (subject to prior approval of the Board) have the option (the **Drag Along Option**) to require all the other holders of Shares B Shares and Deferred Shares (the **Called Shareholders**) to sell and transfer all their Shares and B Shares (the **Called Shares**) to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this **Article 14**
- 14 2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a **Drag Along Notice**) to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Sellers Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this **Article 14** the person to whom they are to be transferred the consideration for which the Called Shares are to be transferred (calculated in accordance with this **Article 14**) any terms of the transfer and the proposed date of transfer and the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (**Sale Agreement**)
- 14 3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 14 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Called Shares and the Sellers Shares were distributed to the holders of the Called Shares and the Sellers Shares in accordance with the provisions of **Article 4** and may be subject to any retention or hold back on the same terms as the Selling Shareholders (**Drag Consideration**)
- 14 5 Within 5 Business Days of the Company serving a Drag Along Notice on the Called Shareholders or by such date as may otherwise be specified in the Drag Along Notice (the **Drag Completion Date**) each Called Shareholders shall deliver
- 14 5 1 duly executed stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct
- 14 5 2 the relevant share certificate(s) (or an indemnity for a lost certificate in a form acceptable to the Directors) in respect of their Shares to the Company and

14.5.3 a duly executed Sale Agreement if applicable in the form specified in the Drag Along Notice or otherwise specified by the Company

(together the **Drag Documents**)

- 14.6 Within 5 Business Days of the Drag Completion Date the Company shall pay each Called Shareholder on behalf of the Proposed Purchaser the Drag Consideration they are due to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt of the Drag Consideration shall be a good discharge to the Proposed Purchaser. The Company shall hold the Drag Consideration in trust for the Called Shareholders without any obligation to pay interest.
- 14.7 To the extent that the Proposed Purchaser has not within 5 Business Days of the Drag Completion Date put the Company in funds to pay the Drag Consideration the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this **Article 14** in respect of their Shares.
- 14.8 If a Called Shareholder fails to deliver any of the Drag Documents to the Company by the Drag Completion Date the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and/or attorney to execute and deliver all Drag Documents or any other agreement or document as is necessary to effect the transfer of the Called Shareholder's Shares to the Proposed Purchaser effective upon receipt by the Company of the Drag Consideration. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender he shall be entitled to Drag Consideration due to him pursuant in respect such Shares.
- 14.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to **Article 10**.
- 14.10 After a Drag Along Notice has been served if any person becomes a member of the Company pursuant to the exercise of a pre-existing option or other rights to acquire shares (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 and the New Shareholder will be bound to transfer all shares acquired by him to the Proposed Purchaser or as the Proposed Purchaser may direct. The provisions of **Articles 14.1 to 14.9** shall apply (with necessary changes) to the New Shareholder save that if the shares are acquired after the sale of shares by the Called Shareholders has been completed completion of the sale of the New Shareholder's Shares shall take place immediately on the New Shareholder acquiring the Shares.

15 TAG ALONG

- 15.1 The provisions of **Article 15.2** will apply if a Shareholder (a **Proposed Seller**) proposes to transfer any Shares (a **Proposed Transfer**) which would if put into effect result in any person (a **Proposed Transferee**) acquiring a Controlling Interest in the Company.

15 2 A Proposed Seller must before making a Proposed Transfer procure the making by the Proposed Transferee of an offer to the other Shareholders to acquire all of their Shares for a consideration per share the value of which is at least equal to the consideration per share offered to the Proposed Seller subject always to **Article 4**

15 3 The offer referred to in **Article 15 2** must be expressed to be capable of acceptance for a period of not less than fifteen Business Days and if it is accepted by any Shareholder (an **Accepting Shareholder**) within that period the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders

16 CO SALE

16 1 In the event that any Sale Shares are proposed to be sold under **Article 10 1** and where such sale is not pursuant to **Article 13** whether the proposed sale is to one or more other Shareholders (**Purchasing Shareholders**) pursuant to **Articles 10 2 to 10 7** or to a third party purchaser (a **Third Party Purchaser**) pursuant to **Article 10 7 6** and in circumstances where any Shareholder who is not a Purchasing Shareholder has indicated their desire to sell shares under **Article 10 6 1 5** (a **Co selling Shareholder'**) the following provisions shall apply to such sale and purchase

16 1 1 in the event that a sale to a Third Party Purchaser is in prospect the Board may require to be satisfied in such manner as it may reasonably decide that the Sale Shares are being sold in pursuance of a *bona fide* sale for not less than the Transfer Price without any deduction rebate or allowance whatsoever to the Third Party Purchaser and if not so satisfied may refuse to register the instrument of transfer and

16 1 2 the Selling Shareholder shall procure before the transfer is made and lodged for registration that the Purchasing Shareholders or Third Party Purchaser (as the case may be) have made an offer to each Co selling Shareholder to purchase on the same terms and conditions (including as to price) as shall have been agreed between the Selling Shareholder and the Purchasing Shareholders or Third Party Purchaser (as the case may be) (the **Agreed Terms**) such number of Shares as calculated in accordance with the following formula (rounding the product N down to the nearest whole share)

$$N = W \times \left(\frac{X}{Y + Z} \right)$$

where

W = the number of Sale Shares to be sold to the Purchasing Shareholders or Third Party Purchaser (as the case may be)

X = the total number of Qualifying Shares owned by the Co selling Shareholder to whom the offer is made

Y = the aggregate of the total number of Qualifying Shares owned by each Co selling Shareholder who wishes to sell Shares pursuant to this **Article 16 1 2** and

Z = the total number of Shares owned by the Selling Shareholder

16 1 3 to the extent that one or more Co selling Shareholder wishes to sell to the Purchasing Shareholders or Third Party Purchaser (as the case may be) in accordance with the provisions of **Article 16 1 2** the number of Sale Shares that the Selling Shareholder shall be entitled to sell to such Purchasing Shareholders or Third Party Purchaser shall be correspondingly reduced

16 1 4 in the event of disagreement in relation to identification of the Agreed Terms (including disagreement as to the price paid or agreed to be paid for the relevant Shares) the identification of the Agreed Terms shall be referred to the Expert at the request of any of the parties concerned The determination of the Expert shall be final and binding Each of the parties concerned shall provide the Expert with whatever information they reasonably require for the purpose of their determination

16 2 Sales made by a Co selling Shareholder in accordance with this **Article 16** shall not be subject to **Article 10**

17 NOTICE OF GENERAL MEETINGS

17 1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business

17 2 All business shall be deemed special that is transacted at a general meeting with the exception of declaring a dividend the consideration of the profit and loss account balance sheet and the reports of the Directors and Auditors the appointment of and the fixing of the remuneration of the Auditors and the giving or renewal of any authority in accordance with section 551 of the Act

17 3 Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to Shareholders in regard to their right to appoint proxies and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company

18 PROCEEDINGS AT GENERAL MEETINGS

No business shall be transacted at any general meeting unless a quorum of Shareholders is present throughout the meeting A quorum shall consist of two Shareholders present in person or by proxy or (in the case of a Shareholder being a corporation) by representative and must include one or more representative(s) of Shareholders constituting an Investor Majority save that if and for so long as the Company has only one person as a Shareholder one Shareholder present in person or by proxy shall be a quorum

19 VOTE OF SHAREHOLDERS

- 19 1 Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy or (being a corporate body) is present by a representative or proxy shall have one vote and on a poll each Shareholder shall have one vote for each share of which he is the holder

20 NUMBER OF DIRECTORS

The number of Directors of the Company shall not be less than two nor more than three unless agreed otherwise by the Board with Investor Majority Consent

21 ALTERNATE DIRECTORS

- 21 1 Any Director (other than an alternate director) may appoint any other Director or any other person approved by resolution of the Directors and willing to act to be an alternative director and may remove from office an alternate director so appointed by him
- 21 2 An alternate director shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointer is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) to attend and vote at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointer as a Director at such meeting in his appointer's absence An alternate director shall not be entitled to receive any remuneration from the Company save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct
- 21 3 A Director may act as an alternate director to represent more than one Director and an alternate director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director but he shall count as only one for the purpose of determining whether a quorum is present
- 21 4 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director
- 21 5 Any appointment or removal of an alternate director shall be by notice to the company signed by the Director making or revoking the appointment or in any other manner approved by the Directors
- 21 6 Save as otherwise provided in these Articles an alternate director shall be deemed for the purposes specified in **Article 21 2** to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him

22 APPOINTMENT AND RETIREMENT OF DIRECTORS

- 22 1 For so long as Episode 1 holds shares in the Company from time to time it shall have the right to
- 22 1 1 appoint and maintain in office such natural person as Episode 1 may from time to time nominate as a director (**Investor Director**) of each Group Company (and as a member of each and any committee of the Board) and to remove any Director so appointed and upon his removal whether by Episode 1 or otherwise to appoint another Director in his place The first Director appointed pursuant to this **Article 22 1 1** shall be Adrian Lloyd and
- 22 1 2 appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who shall be entitled to receive all papers of the Board and speak at any such meetings but shall not be entitled to vote
- 22 2 Subject to Article 22 3 for so long as Maxfield Capital holds shares in the Company from time to time it shall have the right to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to receive all papers of the Board and its committees and to speak at any such meetings but will not be entitled to vote
- 22 3 If Maxfield Capital have subscribed for a total of 1 294 044 Shares in the Company in place of an observer Maxfield Capital may appoint and maintain in office such natural person as Maxfield Capital may from time to time nominate as a Director (**Maxfield Director**) of each Group Company (and as a member of each and any committee of the Board) and to remove any director so appointed and upon his removal whether by Maxfield Capital or otherwise to appoint another director in his place The first director appointed pursuant to this **Article 22 3** shall be Alexander Lazarev
- 22 4 The Investor Director and any observer appointed pursuant to **Article 22 1** shall be at liberty from time to time to make full disclosure to Episode 1 of any information relating to the Company
- 22 5 The Maxfield Director and any observer appointed pursuant to **Article 22 2** shall be at liberty from time to time to make full disclosure to Maxfield of any information relating to the Company
- 22 6 The Investor Director and Maxfield Director shall be entitled to attend and address all meetings of the Board and of the Members of any Group Company and (unless otherwise agreed in writing by the Investor Director and Maxfield Director respectively) the Board will ensure that the Investor Director and Maxfield Director are each given at least five Business Days prior notice of such meetings together with all appropriate notices agendas and papers prepared for such Board Meetings or distributed to any of the Directors
- 22 7 No business shall be transacted at any meeting of the Board except that specified in the agenda for such meeting unless the Investor Director and

Maxfield Director (if any) are present and/or agree to the transaction of such other business

- 22 8 The holders of the Ordinary Shares shall have the right to appoint and maintain in office two such natural persons as the holders of the Ordinary shares may from time to time nominate as Directors of each Group Company (and as members of each and any committee of the Board) and to remove any director so appointed and upon his removal whether by the holders of the Ordinary Shares or otherwise to appoint another Director in his place The first Director appointed pursuant to this **Article 22 8** shall be the Founder Should the Founder become a Bad Leaver then the holders of Ordinary Shares shall instead only be entitled to appoint one Director (who is not a Bad Leaver) and one additional independent director may be appointed by agreement of the Directors (including the Investor Director)
- 22 9 The Directors appointed pursuant to **Article 22 8** shall be entitled to attend and address all meetings of the Board and of the Members of any Group Company and (unless otherwise agreed in writing by those Directors) the Board will ensure that those Directors are given at least five Business Days prior notice of such meetings together with all appropriate notices agendas and papers prepared for such Board Meetings or distributed to any of the Directors
- 22 10 The Board may (with Investor Director Consent) from time to time appoint one of the Directors to act as the Chairman If the Chairman is unable to attend any meeting of the Directors the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

23 DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 23 1 Notwithstanding the provisions of **Article 22** a person ceases to be a Director as soon as
- 23 1 1 that person ceases to be a Director by virtue of any provision of the Act or these Articles or is prohibited from being a director by law or
- 23 1 2 a bankruptcy order is made against that person or
- 23 1 3 a composition is made with that person's creditors generally in satisfaction of that person's debts
- 23 1 4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months
- 23 1 5 by reason of that person's mental health a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have

23 1 6 notification is received by the company from the Director that the Director is resigning from office and such resignation has taken effect in accordance with its terms or

23 1 7 he shall for more than three consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated

24 DIRECTORS INTERESTS

24 1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles the nature and extent of his interest a Director may (save as to the extent not permitted by law from time to time) notwithstanding his office have an interest of the following kind

24 1 1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in or has any duty in respect of any existing or proposed contract arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested

24 1 2 where a Director (or a person connected with him) is a director employee or other officer of or a party to any contract arrangement or transaction with or in any way interested in any body corporate promoted by the Company or in which the Company is in any way interested

24 1 3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in employee director member or other officer of or consultant to a Holding Company of or a Subsidiary of a Holding Company of the Company

24 1 4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested

24 1 5 where a Director is given a guarantee or is to be given a guarantee in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested

24 1 6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this

24 1 7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or

24 1 8 any other interest authorised by ordinary resolution

24 2 In addition to the provisions of **Article 24 1** subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles the nature and extent of his interest where a Director is an Investor Director or a Maxfield Director he may (save as to the extent not permitted by law from time to time) notwithstanding his office have an interest arising from any duty he may owe to or interest he may have as an employee director trustee member partner officer or representative of or a consultant to or direct or indirect investor (including without limitation by virtue of a carried interest remuneration or incentive arrangements or the holding of securities) in

24 2 1 a Fund Manager

24 2 2 any of the funds advised or managed by a Fund Manager from time to time or

24 2 3 another body corporate or firm in which a Fund Manager or any fund advised by such Fund Manager has directly or indirectly invested including without limitation any portfolio companies

24 3 For the purposes of this **Article 24** an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

24 4 In any situation permitted by this **Article 24** (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract arrangement or transaction shall be avoided on the grounds of any such interest or benefit

24 5 Subject to **Article 24 6** any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (**Interested Director**) who has proposed that the Directors authorise his interest (**Relevant Interest**) pursuant to that section may for the avoidance of doubt

24 5 1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors (excluding the Interested Director) as they see fit from time to time including without limitation

24 5 1 1 restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest

24 5 1 2 restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed or

24 5 1 3 restricting the application of the provisions in **Articles 24 7 and 24 8** so far as is permitted by law in respect of such Interested Director

24 5 2 be withdrawn or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time and

subject to **Article 24 6** an Interested Director must act in accordance with any such terms conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this **Article 24**

24 6 Notwithstanding the other provisions of this **Article 24** it shall not (save with the consent in writing of the Investor Director or the Maxfield Director) be made a condition of any authorisation of a matter in relation to that Investor Director or Maxfield Director (as applicable) in accordance with section 175(5)(a) of the Act that he shall be restricted from voting or counting in the quorum at any meeting of or of any committee of the Directors or that he shall be required to disclose use or apply confidential information as contemplated in **Article 24 8**

24 7 Subject to **Article 24 8** (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information in circumstances where disclosure may otherwise be required under this **Article 24**) if a Director otherwise than by virtue of his position as Director receives information in respect of which he owes a duty of confidentiality to a person other than the Company he shall not be required

24 7 1 to disclose such information to the Company or to any Director or to any officer or employee of the Company or

24 7 2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director

24 8 Where such duty of confidentiality arises out of 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 **Article 24 7** shall apply only if the conflict arises out of a matter which falls within **Article 24 1** or **Article 24 2** or has been authorised under section 175(5)(a) of the Act

24 9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question including without limitation

24 9 1 absenting himself from any discussions whether in meetings of the Directors or otherwise at which the relevant situation or matter falls to be considered and

24 9 2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

24 10 Subject to section 182 of the Act a Director shall declare the nature and extent of any interest permitted by **Article 24 1** or **Article 24 2** at a meeting of the Directors or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine except that no declaration of interest shall be required by a Director in relation to an interest

24 10 1 falling under **Article 24 1 8**

24 10 2 if or to the extent that the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware) or

24 10 3 if or to the extent that it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors or by a committee of Directors appointed for the purpose under these Articles

24 11 Subject to section 239 of the Act the Company may by ordinary resolution ratify any contract transaction or arrangement or other proposal not properly authorised by reason of a contravention of any provisions of this **Article 24**

24 12 For the purposes of this **Article 24**

24 12 1 a conflict of interest includes a conflict of interest and duty and a conflict of duties and

24 12 2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director and

24 12 3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified

25 PROCEEDINGS OF DIRECTORS

25 1 The quorum for the transaction of business of the Board shall throughout the meeting be two and must include the Founder and an Investor Director or his alternate unless

25 1 1 there shall be no Investor Director in office for the time being

25 1 2 the Investor Director has in respect of a particular meeting of the Directors or part of such meeting otherwise agreed in writing ahead of such meeting that he waives his respective rights to attend the meeting and count in the quorum

in which case the quorum shall not require the presence of the Investor Director If such quorum is not present within half an hour from the time appointed for the meeting or if during a meeting such quorum ceases to be present the meeting shall stand adjourned to 5 Business Days at the same time and place or at such time and place as determined by the directors

present at such meeting provided that notice of such reconvened meeting shall be given to all directors as if it was a new meeting. If a quorum is not present at such adjourned meeting within half an hour from the time appointed then the meeting shall proceed provided that it shall only conduct such business as is specifically identified in the agenda to the meeting sent with the notice.

25.2 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Unless all Directors indicate their willingness to accept shorter notice of a meeting of the Directors, at least 5 Business Days prior notice of the time and place of each meeting of the Directors shall be given.

25.3 A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice of every meeting of the Directors shall be given to every Director (or alternate director) in accordance with the provisions referred to in **Article 25.2** but the non receipt of notice by any Director shall not of itself invalidate the proceedings at any meeting of the Directors.

25.4 All decisions of the Directors made at any meeting of the Directors (or any committee of the Directors) shall be determined by a majority of votes.

25.5 In the event of a vote of the Board being equally split between the directors, the Chairman (if appointed) shall have no casting vote.

25.6 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.

25.6.1 such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing.

25.6.2 references in this article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.

25.6.3 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.

25.7 The Directors (with Investor Director Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

25.8 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Investor Director Consent)" following each reference to "the directors" in such model articles.

26 THE SEAL

26.1 If the Company has a Seal, it shall only be used with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and, unless

otherwise so determined every instrument to which the seal is affixed shall be signed by those persons specified in section 44 (2) of the Act

27 CAPITALISATION OF PROFITS

- 27 1 The words special resolution shall be substituted for the words ordinary resolution in Article 36 (1) of the Model Articles

28 GRATUITIES AND PENSIONS

- 28 1 The Company and the Directors with Investor Director Consent may exercise any powers of the Company to give and provide pensions annuities gratuities or any other benefits whatsoever to or for past or present Directors or employees (or their dependants) of the Company or any Subsidiary and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers

29 NOTICES

- 29 1 Any notice document or other information shall be deemed served on or delivered to the intended recipient

29 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)

29 1 2 if properly addressed and delivered by hand when it was given or left at the appropriate address

- 29 2 Without prejudice to Article 48 of the Model Articles notices and any other communications sent or supplied by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Act (including via a website chatroom extranet intranet blog online social network or forum or other similar mechanism duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company its officers or agents in writing by such Shareholders or Directors)

- 29 3 For the purposes of Article 29 2 above the Company can assume that any email addresses supplied to the Company its officers or agents by Shareholders or Directors are up to date and current and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses and to ensure that the Company has and uses the correct email address In this regard all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 29 3

- 29 4 When any notice or communication is sent by means of a website chatroom internet intranet extranet blog online social network or forum or other similar mechanism an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website chatroom internet intranet extranet blog online social network or forum or other similar mechanism in accordance with Schedule 5 of the Act
- 29 5 Any notice or communication sent by means of a website chatroom internet intranet extranet blog online social network or forum or other similar mechanism shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission
- 29 6 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control
- 29 7 Each Shareholder and Director shall for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act be deemed to have agreed to accept notices or communications from the Company in electronic form and to them being made available on a website by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form and to the Company making information available on a website
- 29 8 In proving that any notice document or other information was properly addressed it shall be sufficient to show that the notice document or other information was delivered to an address permitted for the purpose by the Act

30 INDEMNITY

- 30 1 Subject to the provisions of the Act every Director (including an alternate director) or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 660 to 661 or section 1157 of the Act in which relief is granted to him by the court and no Director (including an alternate director) or other officer shall be liable for any loss damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation thereto
- 30 2 The Directors shall have power to purchase and maintain at the expense of the Company for the benefit of any Director (including an alternate director) or officer of the Company insurance against any liability as is referred to in section 232(2) of the Act and subject to the provisions of the Act against any other liability which may attach to him or loss or expenditure which he may
-

incur in relation to anything done or alleged to have been done or omitted to be done as a Director (including as an alternate director) or as an officer

- 30 3 The Directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any Director (including an alternate director) other officer or auditor of such company in respect of such liability loss or expenditure as is referred to in **Article 30 2**

31 VARIATION OF CLASS RIGHTS

- 31 1 Whenever the share capital of the Company is divided into different classes of shares the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of more than 75% in nominal value of the issued shares of that class save that the special rights attaching to the Seed Shares may only be varied or abrogated with Investor Majority Consent

- 31 2 Without prejudice to the generality of **Article 31 1** the special rights attaching to the Seed Shares shall be deemed to be varied by the occurrence of the following events

31 2 1 the amendment or repeal of any provision of or addition of any provision to the Articles

31 2 2 the alteration of the issued share capital of the Company or creation of a new class of shares or any securities other than as referred to in **Article 3 6**

31 2 3 the reduction of the amount standing to the credit of the share premium account or capital redemption reserve other than as expressly provided for in these Articles

31 2 4 the approval of any merger liquidation dissolution or acquisition of the Company or sale of all or a substantial part of the business undertaking or assets of the Company

31 2 5 the purchase by the Company of any Shares

31 2 6 the acquisition of any shares or other securities

31 2 7 the making of any bonus issue of shares or debenture stock

31 2 8 the entering into of a voluntary winding up

31 2 9 the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payment of dividends) which will raise or may reduce the amount of the profits of the Company available for distribution

31 2 10 any Member of the same Group as the Company doing any of the events described in **Article 31 2 1** to **Article 31 2 9** above

31 2 11 the Company or any Member of the same Group as the Company incurring any obligation to do any of the events described in **Article 31 2 1 to Article 31 2 9** above

32 EXIT

32 1 In the event of an Exit approved by the Directors and Shareholders who hold more than 50% of the Shares (acting with Investor Majority Consent) (**Proposed Exit**) all Ordinary Shareholders shall consent to vote for raise no objections to and waive any applicable rights (save any consideration due in accordance with Article 4) in connection with the Proposed Exit The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are required by the Directors to facilitate the Proposed Exit If any Shareholder fails to comply with the provisions of this **Article 32**

32 1 1 the Company shall be constituted the agent and/or attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit

32 1 2 the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents and

32 1 3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)

33 TREASURY SHARES

The Company shall be permitted to hold Shares or any units stocks or securities representative of Shares as treasury shares

34 B SHARES

34 1 No B Share may be transferred without the prior consent of the Board and Investor Majority Consent

34 2 The B Shares shall not entitle the holders of them to receive notice of to attend to speak or to vote at any general meeting of the Company nor to receive or vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company

34 3 The B Shares shall not entitle the holder of them to receive any dividends of the Company on such B Shares

34 4 If the Founder is a Bad Leaver the following terms shall apply with regard to any B Shares held by the Founder

34 4 1 all of the B Shares shall automatically convert into Deferred Shares (unless the Board resolve otherwise together with Investor Majority Consent)

34 4 2 the Company and the Directors shall be irrevocably authorised (without obtaining the sanction of the Founder) to

34 4 2 1 appoint any person to execute any transfer (or any agreement to transfer) such B Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise) and/or

34 4 2 2 give on behalf of such holder or their conversion to Deferred Shares and/or

34 4 2 3 effect the purchase by the Company of such B Shares in accordance with the Act for the sum of £1 in aggregate for the all of the issue B Shares

35 SHARE CERTIFICATES

35 1 The conditions of issue of any Shares shall not require the Company to issue any Share certificate although the Board may resolve to do so

35 2 The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders

35 3 If the Board resolves to issue a Share certificate it may be issued under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it The Board may by resolution decide either generally or in any particular case or cases that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person

35 4 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate The Company will not be responsible for any Share certificate lost or delayed in the course of delivery