

Private Company Limited by Shares

Articles of Association

of

Yourlottoservice UK Limited (the Company)

(Incorporated in England and Wales under registered no. 10104456)

(Adopted by Special Resolution passed on 31st December 2021)

1 Model Articles

- 1.1 The Model Articles shall apply to the Company, except insofar as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 1.2 The whole of Model Articles 13 (casting vote), 26(5) (share transfers), 27 (transmission of shares), 28 (exercise of transmitters' rights), 29 (transmitters bound by prior notices), 36 (authority to capitalise and appropriation of capitalised sums), 43 (errors and disputes), 50 (no right to inspect accounts and other records), 51 (provision for employees), 52 (indemnity) and 53 (insurance) shall not apply to the Company.

2 Definitions and Interpretation

- 2.1 In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

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| Articles | means these articles of association of the Company as constituted under Article 1.1, as amended from time to time; |
| Board | means the board of directors of the Company from time to time; |
| Business Day | means a day, other than a Saturday, Sunday or public holiday, on which clearing banks are open for non-automated commercial business in the City of London and Business Days means more than one of them; |
| CA 2006 | means the Companies Act 2006; |
| Civil Partner | in relation to a Shareholder who is an individual, a civil partner as defined in the Civil Partnership Act 2004; |
| Control | in relation to a body corporate, means the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person; |



- (a) by means of the holding of shares, or the possession of voting power, in or in relation to that or any other body corporate; or
- (b) by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating that or any other body corporate,

and a Change of Control occurs if a person who controls any body corporate ceases to do so or if another person acquires control of it.

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| Continuing Shareholders | means the Shareholders other than the Seller. |
| Compulsory Transfer Event | shall have the meaning given to it in Article 8.1; |
| Compulsory Transfer Notice | shall have the meaning given to it in Article 8.2; |
| Fair Value | shall have the meaning given to it in Article 10.4; |
| Model Articles | means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, SI 2008/3229, as at the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles; |
| Permitted Transferee | in relation to a Shareholder who is an individual, any of their Privileged Relations; |
| Privileged Relation | in relation to a Shareholder who is an individual, their spouse or Civil Partner and their lineal ascendants, brother(s), sister(s), nieces and nephews and lineal descendants and for the purposes aforesaid a stepchild or adopted child or illegitimate child shall be deemed to be a lineal descendant; |
| Proposed Sale Price | shall have the meaning given to it in Article 7.4; |
| Sale Shares | shall have the meaning given to it in Article 7.4 which shall include all shares held by a Shareholder who is the subject of a Compulsory Transfer Notice; |
| Seller | shall have the meaning given to it in Article 7.4 which shall include a Shareholder who is the subject of a Compulsory Transfer Notice; |
| Shareholder | means any holder of a Share from time to time; |
| Shareholder Communication | means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons; |

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| Shares | means the ordinary shares of £1 each in the capital of the Company; |
| Transfer Notice | shall have the meaning given to it in Article 7.4; and |
| Transfer Price | shall have the meaning given to it in Article 7.6. |

2.2 In these Articles, unless the context otherwise requires:

- 2.2.1 if used, the words and expressions defined in sections 250 (director), 540 (shares), 1159 (subsidiary, wholly-owned subsidiary and holding company), 1161 (undertaking), 1162 (parent undertaking and subsidiary undertaking) and 1173 (minor definitions: general) of CA 2006 have the same meanings in these Articles;
- 2.2.2 each gender includes the other gender;
- 2.2.3 the singular includes the plural and vice versa;
- 2.2.4 references to persons include individuals, unincorporated bodies and partnerships (in each case whether or not having a separate legal personality), governments, government entities, companies and corporations and any of their successors, *permitted transferees or permitted assignees*;
- 2.2.5 the words 'include', 'includes' and 'including' are deemed to be followed by the words 'without limitation';
- 2.2.6 the words and phrases 'other', 'including' and 'in particular' or similar words shall not restrict the generality of any preceding words or be construed as being limited to the same class, acts, things or matters as the preceding words where a wider construction is possible;
- 2.2.7 the contents table and the descriptive headings to provisions in these Articles are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of these Articles;
- 2.2.8 references to legislation or legislative provisions include any modification or re-enactment thereof but exclude any re-enactment or modification after the date of these Articles to the extent they make any party's obligations more onerous or otherwise adversely affect the rights of any party;
- 2.2.9 except where the contrary is stated or the context otherwise requires, a reference to legislation includes all subordinate legislation made and in force from time to time under that legislation or which amends such legislation;
- 2.2.10 references to 'law' include any legislation, any common or customary law, constitution, decree, judgment, order, ordinance, treaty or other legislative measure in any jurisdiction and any directive, request, requirement, guidance or guideline (in each case, whether or not having the force of law but, if not having the force of law, compliance with which is in accordance with the general practice of persons to whom the directive, request, requirement, guidance or guideline is addressed);
- 2.2.11 references to 'writing' or 'written' include faxes and any other method of reproducing words in a legible and non-transitory form; and

2.2.12 references to time shall mean London time, unless otherwise stated.

3 Chair

3.1 The chairman or other director chairing the meeting shall have a casting vote.

4 Company Secretary

4.1 The directors may appoint a company secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

4.2 Model Article 20 shall apply to the company secretary by insertion of the words 'company secretary' in place of 'directors' in the first instance it appears.

5 Issue of Shares

5.1 No Shares shall be allotted nor any right to subscribe for or to convert any security into Shares shall be granted without the prior written consent of the Shareholders holding between them not less than 75% of the issued share capital of the Company.

5.2 Sections 561 and 562 of CA 2006 shall not apply to the allotment of equity securities in the Company.

6 Share Transfer Restrictions

6.1 In these Articles, a reference to the transfer of a Share shall mean either or both:

6.1.1 the transfer of either or both of the legal and beneficial ownership in the Share; and

6.1.2 the grant of an option to acquire either or both of the legal and beneficial ownership in the Share.

6.2 The following shall be deemed, without limitation, to be a transfer of a Share:

6.2.1 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;

6.2.2 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than itself; and

6.2.3 any grant of a legal or equitable mortgage or charge over any Share.

6.3 Any person who holds, or becomes entitled to, any Shares shall not, except with the prior written consent, or in accordance with a prior written agreement, of the other Shareholders, effect a transfer of any such Shares, except in accordance with Article 7 or Article 8.

6.4 Subject to Article 6.5, the directors shall be obliged to register any duly stamped transfer made in accordance with these Articles or any agreement between the Shareholders in force from time to time, but any transfer or purported transfer of any Shares made otherwise than in accordance with these Articles or any agreement between the Shareholders in force from

time to time shall be void and of no effect and the directors shall refuse to register that transfer.

- 6.5 The directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between the Shareholders in such form as the directors may reasonably require (provided that the transferee's obligations or liabilities thereunder are not greater than those of the proposed transferor). If any such condition is imposed, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

7 Transfer of shares

- 7.1 No Shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any share or interest in any share in the Company unless it is permitted or required to do so under these Articles or any shareholders' agreement or similar document in force between the Shareholders and carried out in accordance with these Articles or any shareholders' agreement or similar document in force between the Shareholders (as the case may be).
- 7.2 A Shareholder may do anything prohibited by this clause 7.1 if all the other Shareholders have consented to it in writing.
- 7.3 A Shareholder may transfer all of its Shares in the Company to any person for cash and not on deferred terms if that Shareholder follows the steps in this clause 7.1.
- 7.4 The Shareholder (**Seller**) wishing to transfer its Shares (**Sale Shares**) must give an irrevocable notice in writing (**Transfer Notice**) to the Company giving details of the proposed transfer including:
- 7.4.1 if it wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
- 7.4.2 the price (in cash) at which it wishes to transfer the Sale Shares (**Proposed Sale Price**).
- 7.5 A Transfer Notice (or Compulsory Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 7.6 The transfer price (**Transfer Price**) for each Sale Share the subject of a Transfer Notice and a Compulsory Transfer Notice shall be the price per Sale Share (in cash) agreed between the Seller and the Board (excluding the Seller) or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the price per Sale Share shall be the par value of each Sale Share.
- 7.7 As soon as practicable following the determination of the Transfer Price, the Board shall offer the Sale Shares for sale to the Shareholders (excluding the Seller) (**Continuing Shareholders**) inviting them to apply to the Company in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) for Sale Shares. The offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 7.8 If:

- 7.8.1 at the end of the period referred to in Article 7.7, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which its existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy.
- 7.8.2 not all Sale Shares are allocated following allocations in accordance with article 7.8.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in article 7.8.1. The procedure set out in this article 7.8.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- 7.8.3 at the end of the period referred to in Article 7.7, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications (if any). The balance shall be dealt with in accordance with Article 7.10.
- 7.9 Completion of those Sale Shares allocated to Continuing Shareholders under this Article 7 shall take place in accordance with Article 10.
- 7.10 In relation to any Sale Shares not allocated to Continuing Shareholders under Article 7:
- 7.10.1 where the Sale Shares are the subject of a Transfer Notice, the Seller shall be entitled to transfer those Sale Shares to the third-party buyer identified in the Transfer Notice at a price per Sale Share not less than the Transfer Price provided that it does so within 2 months of the expiry of the period referred to in Article 7.7;
- 7.10.2 where the Sale Shares are the subject of a Compulsory Transfer Notice, the transmittee who produces such evidence of entitlement to the Sale Shares as the directors may properly require may, subject to the articles, choose either to become the holder of those Sale Shares or to have them transferred to another person by executing an instrument of transfer and, subject to the articles, pending any transfer of the Sale Shares to another person, has the same rights as the holder had; and
- 7.10.3 the Seller or the transmittee (as the case may be) shall procure that any buyer or transferee of Sale Shares that is not, immediately prior to completion of the transfer in question, a party to any shareholders' agreement or similar document in force between the Shareholders shall, at completion, enter into a deed of adherence with the Continuing Shareholders, agreeing to be bound by the terms of any shareholders' agreement or similar document in force between the Shareholders, in such form as the Continuing Shareholders may reasonably require.
- 7.11 Each Shareholder undertakes (in respect of the shares that it holds) to give the approvals required for any transfer of shares made in accordance with these Articles and any shareholders' agreement or similar document in force between the Shareholders (as the case may be).

- 7.12 References in Article 7 to shares held by a party in the Company are to all the shares in the Company held by that party.

8 Compulsory transfers

- 8.1 If a Shareholder dies it is a **Compulsory Transfer Event** in respect of that Shareholder and the provisions of this Article 8 shall apply.
- 8.2 If a Compulsory Transfer Event happens to a Shareholder, it is deemed to have given a Transfer Notice pursuant to Article 7.4 on the date on which the Company becomes aware of such Compulsory Transfer Event (**Compulsory Transfer Notice**).
- 8.3 A transfer notice deemed to have been given pursuant to this Article 8 shall have the same effect as a Transfer Notice but it shall not identify a proposed buyer or a Proposed Sale Price.

9 Closing the sale and purchase of shares in the Company

- 9.1 The sale of shares under these Articles shall close at the registered office of the Company on the fifth Business Day after the Continuing Shareholders (having received a Transfer Notice) give notice to the Seller that they wish to buy all the Seller's shares under Article 7.
- 9.2 At closing the Seller shall:
- 9.2.1 transfer the Sale Shares free from all Encumbrances in such form as is necessary for the buyer to establish legal ownership;
 - 9.2.2 deliver the resignations of any directors appointed by the Seller to take effect at closing, in each case acknowledging that they have no claims against the Company;
 - 9.2.3 warrant that it has no right to require the Company to issue it with any share capital or other securities and that no Encumbrance affects any unissued shares or other securities of the Company;
 - 9.2.4 warrant that it is the beneficial owner of the Sale Shares;
 - 9.2.5 warrant that no commitment has been given to create an Encumbrance affecting the Sale Shares (or any unissued shares or other securities of the Company) and that no person has claimed any rights in respect thereof; and
 - 9.2.6 undertake to do all it can, at its own cost, to give the buyer the full legal and beneficial title to the Sale Shares.
- 9.3 At closing the buyer shall pay the purchase price by bank transfer to the Seller or its lawyers (who have been irrevocably authorised by the Seller to receive it).
- 9.4 At or before closing, the Company shall repay any loans made by the Seller to the Company (together with any interest accrued thereon) and the parties shall use their best endeavours to procure that the Seller is released from any guarantees, security arrangements and other obligations that it has given in respect of the Company and its business.
- 9.5 The Sale Shares shall be sold with all rights that attach, or may in the future attach, to them (including, in particular, the right to receive all dividends and distributions declared, made or paid on or after the events referred to in Article 9.2).

- 9.6 The buyer is not obliged to complete the purchase of any of the Sale Shares unless the purchase of all the shares being sold is completed simultaneously.
- 9.7 If the Seller fails to complete the transfer of shares as required under this Article, the chair of the Company (or, failing the chair, one of the other directors, or some other person nominated by the buyer) may, as agent on behalf of the Seller:
- 9.7.1 complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the buyer; and
- 9.7.2 receive the purchase price in trust for the Seller and give a receipt for it in good discharge of the buyer.

10 General Meetings

- 10.1 Notice of general meetings need not be given to the directors.
- 10.2 Every notice calling a meeting of the Company shall include, with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of it and that a proxy need not also be a member.
- 10.3 The accidental failure to give notice of a general meeting to a member shall invalidate the proceedings at the meeting.
- 10.4 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the commencement of the business and also when such business is voted upon. The quorum at any general meeting shall be two persons present in person or by proxy. If a quorum is not present within 30 minutes of the time fixed for the relevant meeting, the meeting shall be adjourned for 5 Business Days at the same time and place. Notice of an adjourned meeting shall be given to all the Shareholders.
- 10.5 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of CA 2006, a poll may be demanded at any general meeting by the chair or by any Shareholder present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote. In the case of an equality of votes, whether on a show of hands or on a poll, the chair shall not have a casting vote.
- 10.6 An instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting (or any adjournment of that meeting) or to the place of the meeting at any time before the time appointed for the holding of the meeting (or any adjournment of that meeting). A notice revoking the appointment of a proxy must be given in accordance with CA 2006.

11 Indemnity and Insurance

- 11.1 Subject to, and on such terms as may be permitted by CA 2006, the Company may:
- 11.1.1 indemnify, out of the assets of the Company, any director of the Company or any associated company against all losses and liabilities which it may sustain or incur in the performance of the duties of its office or otherwise in relation thereto;

- 11.1.2 provide a director with funds to meet expenditure incurred or to be incurred by it in defending any civil or criminal proceedings brought or threatened against it or in defending itself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in either case in connection with any alleged negligence, default, breach of duty or breach of trust by it in relation to the Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under CA 2006 to enable a director to avoid incurring such expenditure; and
- 11.1.3 purchase and maintain insurance for any director against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by it in relation to the Company.