

Company number 10654893
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
of
MYPOCKETSKILL LTD
(the "Company")

(Adopted by a special resolution passed on 12 April 2023)

1. Introduction

- 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.
- 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 from time to time.
- 1.3 In these articles, the article headings are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of the Investor Director under these articles, if at any time the Investor Director has not been appointed or the Investor Director declares in writing to the Company and the Investor Majority that they consider that providing such consent gives rise or may give rise to a conflict of interest to their duties as a Director, such action or matter shall require the consent of Investor Majority.

2. Defined terms

- 2.1 In these articles the following words and expressions shall have the following meanings:

"Act" means the Companies Act 2006 (as amended from time to time);

"Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

"Actions" has the meaning given in article 7.3;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the

Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"Associate" in relation to any person means:

- (a) any person who is an associate of that 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 and (whether or not an associate as so determined);
- (b) any Member of the same Group;
- (c) any Member of the same Fund Group;

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means a Founder who ceases to be a Service Provider at any time during the Relevant Period as a consequence of gross negligence, wilful misconduct or Gross Misconduct;

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these articles;

"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 or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than in respect of the grant of options under any Share Option Plan;

"Business" means developing, marketing, promoting, and providing services under youth/financial digital services and advice, including a platform that empowers Gen Z to become more financially capable by creating opportunities to earn, save, invest and learn about money and through a website located at www.mypocketskill.com (and any other domains acquired and/or utilised by the Company from time to time) as more fully described in the Business Plan;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Called Securities Holder" has the meaning given in article 20.5;

"Called Shares" has the meaning given in article 20.2;

"Called Shareholder" has the meaning given in article 20.1;

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

"Commencement Date" means 15 March 2023;

"Common Liabilities" has the meaning given in article 20.6;

"Contributions Obligations" has the meaning given in article 20.6;

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these articles were adopted;

"Deferred Shares" means deferred shares of £0.0001 each in the capital of the Company from time to time;

"Director(s)" means a director or directors of the Company from time to time;

"Drag Along Notice " has the meaning given in article 20.2;

"Drag Along Option " has the meaning given in article 20.1;

"Drag Completion Date" has the meaning given in article 20.8;

"Drag Consideration" has the meaning given in article 20.4;

"Drag Documents" has the meaning given in article 20.8;

"Drag Purchaser" has the meaning given in article 20.1;

"Dragged Share Sale" has the meaning given in article 20.1;

"Early Leaver" means a Founder who at any point during the Relevant Period ceases to be a Service Provider as a result of voluntary resignation, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect or where the Founder is a Good Leaver;

"Effective Termination Date" means the date on which the Founder ceases to be a Service Provider;

"Employee" means an individual who is employed by, or who provides consultancy services to, the Company or any member of the Group;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Equity Shares" means the shares of the Company other than any Deferred Shares;

"Escrow" has the meaning given in article 20.14;

"Exercise Documents" has the meaning given in article 20.2;

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Expert" has the meaning given in article 26.8;

"Expert Valuer" has the meaning given in article 16.1;

"Fair Value" is as determined in accordance with article 15.3;

"Family Trusts" means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or Privileged Relations of that individual;

"Founders" means Zara Ransley and Matthew Edmund Harker;

"Founder Directors" means the directors of the Company appointed in accordance with article 27.2 and **"Founder Director"** means one of them;

"Founder Shares" means, in respect of each Founder, 50% of the Equity Shares held on the Commencement Date by:

- (a) that Founder in question; and
- (b) any Permitted Transferee of that Founder other than those Ordinary Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of his relationship with the Founder;

"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities;

"Group" means the Company and its subsidiary undertaking(s) (if any) from time to time;

"Good Leaver" means a Founder who is not a Bad Leaver and who ceases to be a Service Provider at any time during the Relevant Period for any reason (including but not limited to (a) Board decisions and/or decisions by the Shareholders that are outside of the control of such Founder (b) death, ill health (such that the Founder can no longer perform his duties competently) or full time caring responsibilities of a close relative or (c) in circumstances which constitute a constructive, wrongful and/or unfair dismissal (as determined by a competent Tribunal)) or who the Board (with Investor Director Consent) determines is a Good Leaver;

"Gross Misconduct" means (a) being convicted of an offence of fraud (b) being convicted of a criminal offence other than traffic violations or/and (c) materially breaching non-solicitation and non-compete terms of a shareholders' agreement relating to the Company to which they are a party with the Company;

"Holding Company" means a newly formed holding company, pursuant to which the shareholders of, and the proportion and class(es) of shares held by each of them in, such holding company (immediately after a transfer of the issued share capital of the Company to such holding company) are the same as the shareholders of and their shareholdings in the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Holding Company Notice" has the meaning given in article 26.4;

"Holding Company Reorganisation" means any transaction involving the issue of shares in the capital of a New Holding Company to the Shareholders, the object or intent of which is to interpose the New Holding Company as the sole owner of the Company such that immediately subsequent to such transaction:

- (a) the membership, pro rata shareholdings and classes of shares comprised in the New Holding Company is substantially the same as that of the Company (excluding Treasury Shares) immediately prior to such transaction (save for the fact that such shares are issued by a different company);
- (b) the rights attaching to each class of share comprised in the New Holding Company are substantially the same as those rights attaching to the like class of share comprised in the share capital of the Company immediately prior to such transaction (save for the fact that such shares are issued by a different company and/or in a different jurisdiction with attendant differences in company law); and

- (c) the constitutional documents of the New Holding Company are the same in substantive effect as the articles of association of the Company immediately prior to such acquisition (save for the fact that they apply in respect of a different company, and as to matters and modifications to reflect that the New Holding Company may be incorporated in a jurisdiction other than England and Wales);

"Instrument of Transfer" includes a stock transfer form or other transfer document in either hard copy form or electronic form, in either case in any usual form or in any other form which the Board may approve;

"Investor Director" means the director of the Company appointed in accordance with article 24.1(b);

"Investor Director Consent" means the prior written consent of the Investor Director;

"Investor Majority" means the holders of more than 50 per cent. of the Ordinary Shares held by the Investors from time to time;

"Investor Majority Consent" means the prior written consent of the Investor Majority;

"Investors" means the persons defined as investors in the shareholders' agreement relating to the Company in place from time to time and who hold or whose Permitted Transferees hold Ordinary Shares;

"IPO" means the 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) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq Stock Market operated by the NASDAQ OMX Group or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"Major Investors" means each Investor holding at least 5 per cent of the Equity Shares from time to time;

"a Member of the same Fund Group" means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **"Investment Fund"**) or a nominee of that person:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed by that Fund Manager;
- (c) any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

"a Member of the same Group" means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;

"New Holding Company" means a holding company of the Company newly incorporated in any jurisdiction which has no previous trading history and has resulted from a Holding Company Reorganisation;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in article 11.4);

"New Shareholder" has the meaning given in article 20.12;

"Ordinary Shares" means the ordinary shares of £0.0001 each in the capital of the Company from time to time;

"Permitted Transfer" means a transfer of Shares in accordance with article 13;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Company;
- (b) in relation to a Shareholder which is an undertaking means any Member of the same Group; and
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group;

"Post-Reorganisation Shareholder" has the meaning given in article 26.3;

"Preference Amount" means a price per share equal to the amount paid up or credited as paid up (including premium) for such share;

"Privileged Relation" 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);

"Proceeds of Sale" means the consideration payable (including any deferred consideration and any other consideration which having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale;

"Proposed Exit" has the meaning given in article 7.3;

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Reorganisation" has the meaning given in article 26.1;

"Proposed Sale Date" has the meaning given in article 20.3;

"Proposed Sale Notice" has the meaning given in article 20.3;

"Proposed Sale Shares" has the meaning given in article 20.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning given in article 20.1;

"Put Option" has the meaning given in article 13.7(a)(ii);

"Put Option Consideration" has the meaning given in article 13.7(d);

"Put Option Completion Date" has the meaning given in article 13.7(f);

"Put Option Document" has the meaning given in article 13.7(f);

"Put Option Notice" has the meaning given in article 13.7(c);

"Put Shares" has the meaning given in article 13.7(c);

"Qualifying Company" means a company in which a Shareholder or Trustee(s) hold the whole of the share capital and which they control;

"Relevant Period" means 36 months from the Commencement Date;

"Relevant Security" means any security, option, warrant, agreement or instrument which confers any right to subscribe for any share(s) in the capital of the Company (and the term **"Relevant Securities"** shall be construed accordingly);

"Reorganisation Actions" has the meaning given in article 26.1;

"Restricted Member" has the meaning given in article 18.6;

"Restricted Shares" has the meaning given in article 18.7;

"Sale Agreement" has the meaning given in article 20.2;

"Sale Information" has the meaning given in article 20.2;

"Sellers' Shares" has the meaning given in article 20.1;

"Selling Shareholders" has the meaning given in article 20.1;

"Service Provider" means an individual who is employed by, or who provides consultancy services to, the Company or any member of the Company's Group;

"Several Liabilities" has the meaning given in article 20.6;

"Shareholder" means any holder of any Shares;

"Shareholder Representative" has the meaning given in article 20.14;

"Share Option Plan" means any share option plan of the Company;

"Shares" means the Ordinary Shares and the Deferred Shares;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders in the purchasing company and the proportion of shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale;

"Surrender" has the meaning given in article 13.7(a)(i);

"Surrender Notice" has the meaning given in article 13.7(b);

"Transaction" has the meaning given in article 18.8;

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

"Trustees" means the trustee(s) of a Family Trust;

"UFI" means UFI VocTech Trust, a company limited by guarantee registered in England & Wales with company number 03658378 and registered charity number 1081028; and

"Unvested Shares" means from the Commencement Date and until the end of the Relevant Period, such number of Founder Shares equal to all the Founder Shares multiplied by the following percentage (rounded up to two decimal places):

$$100 - (2.778 \times \text{NM}),$$

where NM = number of full calendar months from the Commencement Date to the Effective Termination Date.

- 2.2 In these articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.

3. Proceedings of Directors

- 3.1 Subject to article 3.2, the quorum for Directors' meetings shall be two Directors who must include a Founder Director and an Investor Director (if appointed) (save that where an interest of a Founder Director or Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Founder Director or the Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). If such a 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 the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting and the Investor Director. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed
- 3.2 Notwithstanding any other provision of these Articles, if no Investor Director is appointed at any time, the quorum for Directors' meetings shall be one Director.
- 3.3 Article 11(2) of the Model Articles shall not apply to the Company.
- 3.4 In the case of any equality of votes, the chairman shall not have a second or casting vote. Article 13 of the Model Articles shall not apply to the Company.

4. Alternate Directors

Articles 15 and 25 to 27 of the model articles for public companies limited by shares contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company.

5. Directors' interests

- 5.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting. Article 14 of the Model Articles shall not apply to the Company.

5.2 Specific interests of a Director

Subject to the provisions of the Act, and provided that he has declared to the Directors 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:

- (a) 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;
- (b) 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;
- (c) where a Director (or a person connected with him) is a Shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;
- (d) 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;
- (e) 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; or
- (f) 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.

5.3 Interests of the Investor Director

In addition to the provisions of article 5.2, subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, where

a Director is the Investor 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:

- (a) a Fund Manager who advises or manages an Investor;
- (b) any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
- (c) another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

6. Liquidation preference

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 shall be applied (to the extent that the Company is lawfully permitted to do so):

- (a) first in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- (b) the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the total number of Ordinary Shares held.

7. Exit provisions

7.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in article 6 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:

- (a) 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 6; and
- (b) the Shareholders shall take any action required by the Investors to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in article 6.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in article 6.

7.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in article 6 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 7.2, actions that may be necessary to put the Company into voluntary liquidation so that article 6 applies).

- 7.3 In the event of an Exit approved by the Board and the Selling Shareholders in accordance with the terms of these Articles (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this article, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

8. Votes in general meeting and written resolutions

- 8.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 8.2 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.
- 8.3 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 8.4 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
 - (b) on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that share have been paid.

9. Consolidation or sub-division of Shares

- 9.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 9.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may

have any preference or advantage or be subject to any restriction as compared with the others.

10. Variation of rights

- 10.1 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 per cent. in nominal value of the issued shares of that class.
- 10.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.

11. Allotment of new shares or other securities: pre-emption

- 11.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.
- 11.2 Unless otherwise determined by an Investor Majority, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each holder of Equity Shares by:
- (a) giving details of the number and subscription price of the New Securities;
 - (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
 - (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
 - (d) stating that, if there is competition among the holders of Equity Shares for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Equity Shares (his "**Proportionate Allocation**");
 - (e) inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("**Extra Securities**") and, if so, the number of Extra Securities.
- 11.3 On expiry of an offer made in accordance with article 11.2 (or sooner if applications or refusals have been received from all holders of Equity Shares and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:
- (a) if the total number of New Securities applied for is equal to or less than the New Securities offered, each holder of Equity Shares shall be allocated the number applied for by him; or
 - (b) if the total number of New Securities applied for is more than the New Securities offered, each holder of Equity Shares shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and
 - (c) applications for Extra Securities shall be allocated in accordance with such applications or, in the event of competition, among those holders of Equity

Shares applying for Extra Securities in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Securities 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 New Securities have been allocated;

(d) fractional entitlements shall be rounded to the nearest whole number;

following which the Directors may, subject to these articles and the Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit, but on no less favourable terms.

11.4 The provisions of articles 11.2 and 11.3 shall not apply to:

- (a) options to subscribe for Ordinary Shares under the Share Option Plan;
- (b) New Securities issued or granted in order for the Company to comply with its obligations under these articles including, but not limited to the Anti-Dilution Shares;
- (c) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority;
- (d) New Securities which the Investor Majority have agreed in writing should be issued without complying with the procedure set out in this article 12;
- (e) New Securities issued as a result of a Bonus Issue or Reorganisation which has been approved in writing by an Investor Majority; and
- (f) New Securities issued in accordance with the shareholders' agreement relating to the Company in place from time to time.

11.5 Any New Securities offered under this article 12 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor in accordance with the terms of this article 12.

11.6 No Shares shall be allotted to any Service Provider, Director, prospective Service Provider or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.

11.7 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. The Directors are not authorised to determine the terms, conditions and manner of redemption unless express authorisation to do so is given by the Shareholders by ordinary resolution and the Investor Majority. Article 22(2) of the Model Articles shall not apply to the Company.

12. Transfers of Shares – general

12.1 Reference to the transfer of a Share in these articles 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.

- 12.2 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.
- 12.3 The Directors may refuse to register a transfer of a Share if:
- (a) a Shareholder transfers a Share other than in accordance with these articles;
 - (b) a Shareholder transfers or purports to transfer any Share to any person (a) who indirectly or directly competes with the Company and/or carries out a similar Business or (b) who is connected or engaged in any manner whatsoever with a person who indirectly or directly competes with the Company and/or carries out a similar Business
 - (c) the transfer is to a Service Provider, Director or prospective Service Provider or prospective director of the Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
 - (d) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company.

Article 26(5) of the Model Articles shall be modified accordingly.

- 12.4 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 in force between some or all of the Shareholders and the Company.
- 12.5 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 12.6 Any transfer of a Share by way of sale which is required to be made under articles 14 to 19 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

13. Permitted Transfers

- 13.1 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.
- 13.2 Shares previously transferred as permitted by article 13.1 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.
- 13.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.
- 13.4 A transfer of any Shares approved by the Investor Majority and the Board may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors.

13.5 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, with prior written consent of the Investor Majority.

13.6 A Founder may not transfer their Equity Shares other than (i) as permitted or required under these Articles; or (ii) with Investor Majority Consent; or (iii) to any Permitted Transferee.

13.7

- (a) Subject to the Act, UFI shall have the right at any time to:
 - (i) gift the Shares held by UFI to the Company for nil consideration in accordance with the Act (the "**Surrender**"); or
 - (ii) where the Company has appropriate reserves to be able to do so pursuant to the Act, require the Company to purchase all of the Shares held by UFI in accordance with this article 13.7 (the "**Put Option**").
- (b) UFI may exercise the Surrender by giving a written notice to that effect (a "**Surrender Notice**") to the Company and delivering a duly executed stock transfer form relating the Shares subject to the Surrender Notice. In respect of a transaction that is the subject of a Surrender Notice, UFI shall only be obliged to undertake to transfer its Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so required) and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into the relevant transfer documents and the full title guarantee of the Shares held by UFI.
- (c) Where applicable pursuant to article 13.7(a)(ii), UFI may exercise the Put Option by giving a written notice to that effect (a "**Put Option Notice**") to the Company. A Put Option Notice shall specify that:
 - (i) the Company is required to acquire all of the Shares held by UFI (the "**Put Shares**");
 - (ii) the Put Option Considered to be transferred; and
 - (iii) the proposed date of transfer.
- (d) The consideration for the Put Shares to be transferred to the Company pursuant to the Put Option will be the number of Put Shares multiplied by £0.001 ("**Put Option Consideration**"). The Put Option Consideration may be satisfied by the Company in cash.
- (e) In respect of a transaction that is the subject of a Put Option Notice and with respect to any Put Option Document, UFI shall only be obliged to undertake to transfer the Shares held by UFI with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if required) in receipt of the Put Option Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Put Option Document and the full title guarantee of the Shares held by UFI.
- (f) Within ten Business Days of the Company receiving the Put Option Notice (or such later date as may be specified in the Put Option Notice) (the "**Put Option Completion Date**"), UFI shall deliver to the Company:

- (i) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board); and
- (ii) a buyback agreement and duly executed stock transfer form relating the purchase by the Company of the Put Shares in the form specified by the Company,

(each a "**Put Option Document**" and together the "**Put Option Documents**").

- (g) On the Put Option Completion Date, the Company shall pay UFI the Put Option Consideration.

14. Transfers of Shares subject to pre-emption rights

- 14.1 Save where the provisions of articles 13 and 19 apply, a Shareholder who wishes to transfer Shares (a "**Seller**") shall give notice in writing (which cannot be withdrawn save with the consent of the Board) (a "**Transfer Notice**") to the Company (constituting the Company the agent of the Seller) specifying:

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which he wishes to transfer the Sale Shares.

If no cash price is specified by the Seller, the price at which he is to transfer the Sale Shares shall be agreed between the Seller and the Board (including the Investor Director but with any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice (the "**Transfer Price**"). If no price is agreed it will be deemed to be Fair Value of the Sale Shares.

- 14.2 If a Shareholder is deemed to have given a Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (without any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice) and failing such agreement such price will be deemed to be the Fair Value of such Shares.

- 14.3 If the Sale Shares are Ordinary Shares, the Sale Shares shall be offered in the following priority:

- (i) first, to the Investors;
- (ii) second, to other shareholders of the Company who are not Investors,

in each case on the basis set out in Article 14.4.

- 14.4 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 15), the Company shall give notice in writing to each holder of Equity Shares (subject to the priority rights in Article 14.3) other than the Seller (each an "**Eligible Shareholder**"):

- (a) inviting him to apply for the Sale Shares at the Transfer Price;

- (b) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
 - (c) stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares within a class of Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of Equity Shares (his "**Proportionate Allocation**");
 - (d) 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.
- 14.5 On expiry of an offer made in accordance with article 14.3 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:
- (a) 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
 - (b) 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;
 - (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible 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; and
 - (d) fractional entitlements shall be rounded to the nearest whole number.
- 14.6 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.
- 14.7 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 14.8 If the Seller fails to comply with the provisions of article 14.7:
- (a) the chairman of the Directors or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
 - (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
 - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).

- 14.9 If an Allocation Notice does not relate to all the Sale Shares then, subject to article 14.10, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included within the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 14.10 The right of the Seller to transfer Shares under article 14.9 does not apply if the Board is of the opinion on reasonable grounds that:
- (a) 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
 - (b) 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.
- 14.11 Any Sale Shares offered under this article 14 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor in accordance with the terms of this article 14.

15. Valuation of Shares

- 15.1 If no price is agreed between the Seller and the Board then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with article 15.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares or if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.
- 15.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the joint application of the Board and the Seller. If the Seller fails to enter into the documentation necessary to make such application (within 10 Business Days of a request by the Board to do so), the Board's proposed appointee shall be the Expert Valuer.
- 15.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflect any other factors which the Expert Valuer reasonably believe should be taken into account.
- 15.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The

Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

- 15.5 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed in which case the Seller shall bear the cost.

16. Compulsory transfers – general

- 16.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 16.2 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 16.3 If a Permitted Transferee ceases to be a Permitted Transferee of the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 16.4 On the death, 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 five 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 five 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.
- 16.5 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:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - (b) 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 16.5 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.

- 16.6 If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or, in the case of any Permitted Transferee and/or nominee, procure the giving of) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferees' names and their respective nominees' names save that, in the case of the Permitted Transferee, 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 the Original Shareholder before being required to serve a Transfer Notice. This article 16.6 shall not apply to a member that is an Investor.

17. Compulsory conversion – Founders

- 17.1 Unless the Board (with Investor Director Consent) and the Investor Majority determine that this Article 17.1 shall not apply, if at any time during the Relevant Period, a Founder is:

- (a) a Bad Leaver, all the Unvested Shares; or
- (b) an Early Leaver, all the Unvested Shares,

relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share). For the avoidance of doubt, if a Founder is a Good Leaver, none of their Shares shall convert into Deferred Shares and instead such Founder may retain all the relevant Founder Shares including any Unvested Shares.

- 17.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Effective Termination Date. Upon the Effective Termination Date, the Founder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.

Suspension of voting rights

- 17.3 In the event of being a Bad Leaver or an Early Leaver or a Good Leaver all voting rights attached to the Founder Shares held by the relevant Founder or by any Permitted Transferee of that Founder (the "**Restricted Member**"), if any, shall at the time they cease to be a Service Provider be suspended unless the Board notify them otherwise.
- 17.4 Any Founder Shares whose voting rights are suspended pursuant to article 18.6 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to article 18.6 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

- 17.5 Upon the occurrence of either an Asset Sale or a Share Sale (a "**Transaction**"), the Unvested Shares of a Founder who is still a Service Provider at the time of the Transaction shall be treated as fully vested.

18. Deferred Shares

- 18.1 The Deferred 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, vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company.
- 18.2 No Deferred Share shall have any entitlement to a dividend.
- 18.3 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) 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(s) without obtaining the sanction of the holder(s).
- 18.4 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
 - (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
 - (c) purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 18.5 No Deferred Share may be transferred without the prior consent of the Board.

19. Drag-along

- 19.1 If the holders of 70 per cent or more of the Equity Shares (excluding Treasury Shares and any Shares held by a Shareholder who is, or is an Associate of, a Drag Purchaser, as defined below) (including an Investor Majority and the Founders) (the "**Selling Shareholders**") agree to transfer all their interest in Shares (the "**Sellers' Shares**") to a proposed purchaser (the "**Drag Purchaser**") (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser), the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**") to sell and transfer all their Shares to such Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) in accordance with the provisions of this article 19 (such transfers of Shares by the Selling Shareholders and the Called Shareholders being the "**Dragged Share Sale**").
- 19.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company at any time before the transfer of

the Sellers' Shares to the Drag Purchaser and the Company shall forthwith send a copy of the Drag Along Notice to the Called Shareholders. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
- (b) the person to whom they are to be transferred;
- (c) the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with article 19.4);
- (d) the proposed date of transfer;
- (e) 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 Dragged Share Sale (the "**Sale Agreement**");
- (f) in respect of any Called Securities Holder (as defined below) only, any exercise notice or other documents (including any tax elections) which the Called Securities Holder may be required to sign in connection with the exercise of any options or other rights to subscribe, convert into or otherwise acquire (including but not limited to warrants) Shares ("**Exercise Documents**"); and
- (g) that information concerning the Called Shareholder which the Drag Purchaser reasonably requires in connection with the transfer of Called Shares (as may include information concerning (i) details of any account in the name of the Called Shareholder to which cash consideration may be paid (ii) the tax treatment of payments to be made to, or tax status of, the Called Shareholder (iii) the status of the Called Shareholder for the purposes of ascertaining the applicability of relevant securities laws and (iv) verification of the identity, ownership and control of the Called Shareholder and other information as may be required for anti-money laundering or other compliance purposes) ("**Sale Information**"),

(and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice).

- 19.3 Drag Along Notices shall be irrevocable but will lapse if the date for completion of the sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser does not occur within 60 Business Days (or such longer time period as may be proposed by the Selling Shareholders and approved by the Board with Investor Director Consent) 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.
- 19.4 The consideration (in cash or otherwise) for which each Selling Shareholder and each Called Shareholder shall transfer Shares pursuant to the Dragged Share Sale shall be the Consideration per Share, determined in accordance with article 7 in reference to the total consideration payable in respect of all Shares to be transferred to the Drag Purchaser pursuant to the Dragged Share Sale (the "**Drag Consideration**").
- 19.5 A Drag Along Notice may be served on any person(s) (each a "**Called Securities Holder**") holding Relevant Securities, if and to the extent exercisable (or which would become exercisable in connection with the Dragged Share Sale and, if so served such Called Securities Holder shall, upon their acquisition of Shares, thereupon become a Called Shareholder subject mutatis mutandis to the provisions of this article 20 (notwithstanding that they may not have been a Called Shareholder at the date of the Drag Along Notice).

19.6 The liabilities and obligations of a Called Shareholder under the terms of any Sale Agreement shall be limited to those matters as concern the Called Shareholder in their capacity as a holder of Called Shares, the transfer of Called Shares pursuant to the Dragged Share Sale and the payment of the consideration. Accordingly, the terms of the Sale Agreement may, inter alia, provide that:

- (a) a Called Shareholder warrants and undertakes to transfer their Called Shares to the Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) on the Drag Completion Date with full title guarantee free from all Encumbrances and that the Called Shareholder has power, capacity and authority to enter into the Sale Agreement and so transfer such Called Shares. A Called Shareholder shall not, however, be obliged to agree to: (i) give any representation, warranty or undertaking concerning, or any indemnity in respect of any liability of, the business and affairs of the Company's Group; nor (ii) unless such Called Shareholder is or has been a Service Provider, any restrictive covenant including, without limitation, any covenant not to compete or covenant not to solicit customers, employees or suppliers of any party to the Dragged Share Sale);
- (b) consideration paid (and/or payable) be subject to obligation(s) and arrangements (whether by means of escrow, holdback, reduction of consideration, contribution to the costs of any relevant insurance or contribution to transaction costs and expenses (including costs and expenses of any sellers' representative)) ("**Contribution Obligations**") with respect to:
 - (i) liabilities of (and tax withholdings and deductions (including, if applicable, amounts to be withheld in respect of employee income tax and social security contributions) arising in respect of consideration payable to) the Called Shareholder ("**Several Liabilities**"); and
 - (ii) any:
 - (A) price adjustment mechanisms (including any earn-out, 'locked box' or completion accounts adjustment); and/or
 - (B) liabilities (actual or potential, including any settlement) in respect of any representations, warranties, undertakings and/or indemnities given by any person(s),

in connection with the Dragged Share Sale (any or all of the foregoing being "**Common Liabilities**"), provided that the Sale Agreement provides for the following principles (howsoever expressed or effected):

- (x) the Contribution Obligations of a Called Shareholder with respect to Common Liabilities shall be satisfied only by way of reduction to the amount of any unpaid consideration (and not, for the avoidance of doubt, any repayment of consideration previously paid out). For the purpose of this provision, consideration held in escrow (or subject to any security interest of the Drag Purchaser or its nominee) shall not be treated as having been paid to the Called Shareholder even if the Called Shareholder is beneficially interested in such consideration; and
- (y) Contribution Obligations of a Called Shareholder in respect of Common Liabilities shall be on terms consistent with article 7 and no more onerous than the terms of the Contribution Obligations of other Selling Shareholders in respect of Common Liabilities; and

- (z) the liability of a Called Shareholder shall not exceed the amount of consideration received by such Called Shareholder in connection with the Dragged Share Sale, except with respect to claims related to fraud by such Called Shareholder, the liability for which need not be limited as to such Called Shareholder.

19.7 The Sale Agreement may include such provisions as may be necessary or desirable to accommodate the inclusion of Called Securities Holders (if any) in the Dragged Share Sale (as may include provisions with respect to: (i) the exercise of options or other rights to subscribe, convert into or otherwise acquire (including but not limited to warrants) Shares (including the delivery of Exercise Documents), (ii) the satisfaction by the Called Securities Holder of their Several Liabilities in respect of the payment of any exercise price and any employee income tax and social security contributions arising in connection with their acquisition and/or sale of Shares, and (iii) the making of tax elections by the Called Securities Holder).

19.8 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice), each Called Shareholder shall deliver to the Company (which shall receive the same as agent on behalf of the Called Shareholder with authority to deliver the same to the Drag Purchaser on completion of the sale of Called Shares to the Drag Purchaser in accordance with the terms of the Sale Agreement (the "**Drag Completion Date**")):

- (a) duly executed Instrument(s) of Transfer for its Shares in favour of the Drag Purchaser;
- (b) the relevant share certificate(s) (or a duly executed indemnity in favour of the Directors of the Company in respect of any lost, destroyed or missing certificate, in a form acceptable to the Board) in respect of its Shares;
- (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company;
- (d) in the case of a Called Securities Holder, duly executed Exercise Documents required to be provided by them; and
- (e) the Sale Information, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the "**Drag Documents**").

19.9 The Company (or its nominee) may receive, and give good receipt for, any consideration payable to any Called Shareholder in respect of the transfer of their Called Shares, which consideration shall be held by the Company (or its nominee) on trust for the benefit of such Called Shareholder. The Company shall be entitled to be paid from such consideration any amount otherwise due and payable by the Called Shareholder to any member of the Company's Group (including any payments due in connection with the exercise of any option to acquire Shares). The payment of the remaining balance of such consideration due to the relevant Called Shareholder may, in the sole discretion of the Board, be withheld pending the delivery of any Drag Document(s) and the ratification by the Called Shareholder of the transfer of their Called Shares and/or any act undertaken on behalf of (or deemed to be undertaken by) such Called Shareholder in accordance with this article 19.9.

19.10 If a Called Shareholder fails to deliver the Drag Documents for their Shares to the Company by the Drag Completion Date, the Company (acting by any Director of the Company) shall be constituted the agent of such defaulting Called Shareholder with power and authority to take such actions and execute, enter into, and give effect to, any

Drag Document(s), for and on behalf of and in the name of such defaulting Called Shareholder, in each case as Board may determine to be necessary or desirable to effect (or otherwise in connection with) the transfer of the Called Shareholder's Shares pursuant to this article 19 and the Board shall, if requested by the Drag Purchaser, so authorise any Director to effect the transfer of the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) the Drag Completion Date. The Board shall authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid and the Instrument of Transfer and certificate (or indemnity in a form acceptable to the Board) in respect of the Shares so transferred delivered to the Company.

- 19.11 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of article 14.
- 19.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a **"New Shareholder"**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares (save to the extent the relevant Shares were sold as part of the Dragged Share Sale on the Drag Completion Date by the New Shareholder, whether as a Called Securities Holder or otherwise) so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place on the later of: (a) the Drag Along Notice being deemed served on the New Shareholder; and (b) completion of the Dragged Share Sale on the Drag Completion Date.
- 19.13 Whether or not a transfer of Called Shares is validly made in accordance with this article 19 (including any determination as to whether a Sale Agreement satisfies the requirements of articles 19.6 and 19.7 (including any determination as to what constitutes a Contribution Obligation and/or the Common Liabilities and/or whether the principles set out in article 19.6(b) are satisfied)) shall be determined by the Board and, save in the event of fraud, such determination shall be final and binding on all persons.
- 19.14 In the event that the Selling Shareholders, in connection with the Dragged Share Sale, appoint a third party independent shareholder representative (a **"Shareholder Representative"**) with respect to the establishment and management of any escrow or holdback fund in connection with any indemnification or breach of warranty under the Sale Agreement (the **"Escrow"**), each Called Shareholder shall be deemed to consent to (i) the appointment of such Shareholder Representative, (ii) the establishment of the Escrow and (iii) the payment of such Called Shareholder's applicable portion (from the Escrow) of any reasonable and properly incurred fees and expenses of such Shareholder Representative, in each case in connection with such Shareholder Representative's services and duties in connection with the establishment and management of such Escrow.

20. Mandatory Offer on a Change of Control

- 20.1 Except in the case of Permitted Transfers and transfers pursuant to article 16, after going through the pre-emption procedure in article 14, the provisions of article 20.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the **"Proposed Transfer"**) which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.

- 20.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to any Shareholders who have not taken up their pre-emptive rights under article 14 to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in article 20.7).
- 20.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 20.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 20.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Equity Shares held by Accepting Shareholders.
- 20.6 The Proposed Transfer is subject to the pre-emption provisions of article 14 but the purchase of the Accepting Shareholders' Shares shall not be subject to article 14.
- 20.7 For the purpose of this article:
- (a) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
 - (i) in the Proposed Transfer; or
 - (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in article 20.7(b), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**") provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders subject to the provisions of article s 6 and 7;
 - (b) Relevant Sum = $C \div A$

where: A = number of Equity Shares being sold in connection with the relevant Proposed Transfer;

 C = the Supplemental Consideration.

21. Purchase of own Shares

Subject to the Act, the Company may purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.

22. Data Protection

22.1 The Company may process (electronically, manually or otherwise) the following categories of personal data in respect of the Shareholders and Directors:

- (a) identifying information, such as names, addresses, contact details and any other information required for the Company's statutory registers;
- (b) details of participation in the Company's affairs, such as attendance at and contribution to Company meetings and/or written resolutions, voting records etc;
- (c) in the case of Shareholders, details of their respective shareholdings (and any other security) in the Company; and
- (d) any other information which is required to be recorded by law, regulation or court order or which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security), in the Company

(together, the "**Personal Data**").

22.2 The Company will only use the Personal Data where it has a valid legal basis to do so. The Company has a legitimate interest in processing Personal Data where it is necessary for the purposes of the proper administration of the Company and its affairs, the undertaking of due diligence exercises and compliance with applicable laws, regulations and procedures.

22.3 The Company will use appropriate technical and organisational measures to safeguard Personal Data. The Company will retain Personal Data for no longer than is reasonably required.

22.4 The Company may disclose Personal Data to:

- (a) other Shareholders and Directors (each a "**Recipient**");
- (b) a Member of the same Group as a Recipient ("**Recipient Group Companies**");
- (c) employees, directors and professional or financial advisers of that Recipient or the Recipient Group Companies;
- (d) funds managed by any of the Recipient Group Companies and their respective professional or financial advisers; and
- (e) current or potential investors in the Company or purchasers of the Company's shares,

provided always that the Company takes reasonable steps to ensure that Personal Data is treated in accordance with relevant data protection laws. The Personal Data will only be processed and stored within the United Kingdom and/or the European Economic Area *except* to the extent permitted by law.

23. Number of Directors

The number of Directors shall be not less than two and not more than three (unless the Investor Majority consents in writing to the number of Directors being more than three).

24. Appointment of Directors

24.1 In addition to the powers of appointment under article 17(1) of the Model Articles for so long as each Founder and their Permitted Transferees hold Equity Shares and is a Service Provider:

- (a) each Founder shall each be entitled to nominate one person to act as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon their removal, to appoint another director in their place; and
- (b) the Founders shall be entitled to collectively nominate one person and the Investor Majority be entitled to appoint that person to act as a director (the "**Investor Director**") of the Company (and as a member of each and any committee of the Board) and the Investor Majority shall be entitled to remove any director so appointed and, upon their removal, to appoint another director in their place.

24.2 An appointment or removal of a Director under article 24.1 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

25. Disqualification of Directors

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (b) in the case of Directors other than the Investor Director, if a majority of his co-Directors (including Investor Director Consent) serve notice on him in writing, removing him from office.

26. New Holding Company

26.1 In the event of a Holding Company Reorganisation approved by the Board with Investor Majority Consent (a "**Proposed Reorganisation**"), each of the Shareholders shall (i) consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Reorganisation and (ii) take all such actions to tender their Shares as required pursuant to the Proposed Reorganisation (the "**Reorganisation Actions**"). The Shareholders shall be required to take all Reorganisation Actions with respect to the Proposed Reorganisation as are required by the Board to facilitate the Proposed Reorganisation. If any Shareholder fails to comply with the provisions of this article 26, the Company shall be constituted the agent of each defaulting Shareholder for taking the Reorganisation Actions as are necessary to effect the Proposed Reorganisation and the Board may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents to effect the Proposed Reorganisation, including any share exchange agreement and/or Instrument of Transfer.

26.2 The Company shall procure that the shares issued by the New Holding Company to the Shareholders (or any subsequent holder, as the case may be) pursuant to the Holding Company Reorganisation will be credited as fully paid as to the amount determined in accordance with this article 26. Such New Holding Company shares shall be subject to

the constitutional documents of the New Holding Company and otherwise (subject to the express provisions of such constitutional documents) shall have the same rights and obligations as all other New Holding Company shares of the same class in issue at the time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of issue of such New Holding Company shares).

- 26.3 On any person, following the date of completion of a Holding Company Reorganisation, becoming a Shareholder pursuant to any Relevant Securities or otherwise (a "**Post-Reorganisation Shareholder**"), the Post-Reorganisation Shareholder shall then be bound to do all such acts and things necessary in order to transfer to the New Holding Company all such resulting shares held by the Post-Reorganisation Shareholder, and the provisions of this article 26 shall apply with the necessary changes to the Post-Reorganisation Shareholder.
- 26.4 The Company shall procure that, in respect of each Major Investor (except as otherwise agreed in writing by such Major Investor, acting reasonably):
- (a) it provides not less than 20 Business Days' prior written notice to the Major Investors of any Proposed Reorganisation (the "**Holding Company Notice**"); and
 - (b) following the date of the Holding Company Notice, it consults with such Major Investors in good faith and provides such information reasonably requested by such Major Investors in respect of such Proposed Reorganisation .
- 26.5 Any New Holding Company that is to be created for the purposes of a Proposed Reorganisation shall be:
- (a) an entity that is classified as a corporation for U.S federal income tax purposes; and
 - (b) incorporated in a jurisdiction where the courts of such jurisdiction respect the limited liability of the underlying partners, members, shareholders and/or any other beneficial owners of each shareholder of that New Holding Company to substantially the same extent as the jurisdiction of a Major Investor's formation.
- 26.6 Article 26.1 shall not apply in respect of any of the Major Investors (except as otherwise agreed in writing by all Major Investors, acting reasonably) if it is determined pursuant to Articles 26.7 to 26.9 that any taxes will be payable and/or any tax filings will be required to be submitted by any one or more Major Investors or any one or more of their respective underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its respective Shares to the New Holding Company and in such event, the Company and the Major Investors will discuss in good faith to find alternative ways to assess how to structure such Proposed Reorganisation in a manner acceptable to each of them in writing.
- 26.7 If, in a Major Investor's reasonable opinion following written advice from its legal adviser, accountant or tax adviser (as the case may be), such Major Investor determines that any taxes will be payable and/or any tax filings will be required to be submitted by such Major Investor or its underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its Shares to the New Holding Company:
- (a) such Major Investor shall as soon as reasonably practicable notify the Company in writing and provide a copy of such written advice from its legal adviser, accountant or tax adviser (as the case may be) to the Company on a non-reliance basis;

- (b) the Company and each relevant Major Investor will discuss in good faith for a period of up to 15 Business Days (as may be extended between the Company and such Major Investor) following receipt of such written notice in Article 26.7(a) to find alternative ways to assess how to structure such Proposed Reorganisation in a manner acceptable to each of them in writing.
- 26.8 In the event that any Major Investor(s) and the Company cannot agree as to whether any taxes will be payable and/or whether any tax filings will be required to be submitted by any such Major Investor or its underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its Shares to the New Holding Company and/or how to structure the relevant Proposed Reorganisation upon the expiry of the time limit set out in article 26.7, the Company and the relevant Major Investor(s) shall appoint an expert to determine such tax treatment and opine on how to structure the relevant Proposed Reorganisation in accordance with Article 26.9 (the "**Expert**").
- 26.9 The Expert will be one of the Big 4 independent firms of Chartered Accountants in England and Wales to be agreed in writing between the Company and the relevant Major Investor(s) or, failing agreement in writing of such firm not later than the date 5 Business Days after the expiry of the time limit set out in article 26.7, an independent firm of Chartered Accountants to be nominated by the then President of the Institute of Chartered Accountants in England and Wales following a joint application by both the Company and one or more of the relevant Major Investors . Such Expert shall be requested to (a) determine the tax treatment of the Proposed Reorganisation in respect of the relevant Major Investor's Shares and opine on how to structure the relevant Proposed Reorganisation within 20 Business Days of its appointment based on any factors which such Expert reasonably believes should be taken into account and (b) notify the Board of their determination. The Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error). The Board will give the Expert access to all accounting records or other relevant documents of the Company subject to the Expert agreeing such confidentiality provisions as the Board may reasonably impose. The Expert shall deliver its certificate to the Company and the relevant Major Investor(s). The cost of obtaining the certificate shall be paid by the Company.

27. Indemnity and expenses

- 27.1 Subject to article 27.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:
 - (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;
 - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
 - (c) any other liability incurred by that director as an officer of the company or an associated company.
- 27.2 The company may fund a relevant director's expenditure for the purposes permitted under the Act and may do anything to enable a relevant director to avoid incurring such expenditure as provided in the Act.
- 27.3 No relevant director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

27.4 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

27.5 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant director" means any director or former director of the company or an associated company.

28. Insurance

28.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

28.2 In this article:

- (a) a "**relevant director**" means any director or former director of the company or an associated company;
- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate