

COMPANY NUMBER: 11339494

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

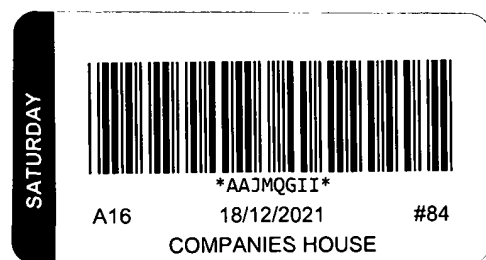
NEW

ARTICLES OF ASSOCIATION

OF

CROWDSENSE LIMITED

(Adopted by a special resolution passed on 28 November 2021)



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1. DEFINITIONS AND INTRODUCTION

1.1 Save where otherwise defined in these Articles the following words and expressions shall have the following meanings:

"Accountants"	the accountants for the time being of the Company;
"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 to it in Article 5.3;
"Arrears"	in relation to any Share, all arrears of any dividend or other sums payable (including interest) in respect of that Share, whether or not such arrears have been earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, in each case together with any interest payable on that Share;
"Articles"	these articles of association (and references to an "Article" shall be construed accordingly, so as to apply to the appropriate provision of these Articles);
"Asset Sale"	the disposal by the Company of all or substantially all of its undertaking and assets;
"Associate"	in relation to a person: any person who is an associate of that person and the question of whether a person is an associate of another shall be determined in accordance with section 435 of the Insolvency Act 1986 (whether or not such person is associate, as so defined)); and any member of the same Group of that person;
"Available Profits"	the profits available for distribution within the meaning of part 23 of the Companies Act;

"Bad Leaver"	a person who ceases to be an Employee at any time during the Relevant Period as a consequence of: (a) such person's resignation as an Employee at any time during the Relevant Period, 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 (b) that person's dismissal as an Employee for cause, where "cause" shall mean : (i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or (ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996;
"Beneficial Owners"	means the beneficial owners set forth on the platform run by the Nominee who, from time to time, have beneficial ownership in the Shares for which the Nominated Custodian is registered as the legal owner;
"Board"	the board of Directors and any committee of the board of Directors constituted for the purpose of taking any action or decision contemplated by these Articles or any Shareholders' Agreement;
"Business Day"	any day other than a Saturday, Sunday or public holiday when the banks in London are generally open for business;
"Civil Partner"	a civil partner (as defined in the Civil Partnership Act 2004) of an individual Shareholder or an individual deceased Shareholder (as the case may be);
"Co-Founder(s)"	the individual(s) listed as Co-Founders in Schedule 2;
"Commencement Date"	the date on which the relevant employment, consultancy or directorship (as the case may be) of the relevant Employee, Director or a director of any other Group Company in question commenced;
"Companies Act"	the Companies Act 2006;
"Company"	CrowdSense Limited;
"Controlling Interest"	an interest in the Shares giving to the holder or holders of such interest control of the Company within the meaning of section 1124 of the CTA 2010;
"CTA 2010"	the Corporation Tax Act 2010;

"Date of Adoption"	the date on which these Articles were adopted;
"Deferred Conversion Date"	the date that the Employees Shares convert into Deferred Shares pursuant to Article 15.1;
"Deferred Shares"	deferred shares in the capital of the Company from time to time;
"Director(s)"	each person who is a director, de facto director or shadow director (as the case may be) of the Company;
"Effective Termination Date"	means the date on which the Employee's employment or consultancy terminates;
"electronic address"	has the meaning given to it given in section 333 of the Companies Act;
"electronic form" and "electronic means"	has the meaning given to it in section 1168 of the Companies Act;
"Eligible Director"	a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Board;
"Employee"	an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;
"Employee Shares"	in relation to an Employee means 50% of the Shares held by: (a) the Employee in question; and (b) any Permitted Transferee of that Employee other than those Shares held by those persons that were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee; other than Shares that an Employee holds as a result of exercising option(s) under any Share Option Plan(s).
"Encumbrance"	any interest or equity of any person (including any right to acquire, any option or right of pre-emption), any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, covenant, restriction, lease, trust, order, decree, title defect, retention or any other security arrangement, or conflicting claim of ownership, right to use or any other third party right;
"Equity Securities"	has the meaning given to it in sections 560(1) to (3) (inclusive) of the Companies Act (and, for the avoidance of doubt, an allotment of Equity Securities shall, for the purposes of this definition, also include any transfer of Shares where, immediately before such transfer occurs, such Shares were held by the Company as Treasury Shares);
"Exit"	a Share Sale, an Asset Sale or an IPO (as the case may be);

"Expert Valuer"	is as determined in accordance with Article 13.1;
"Fair Value"	is as determined in accordance with Article 13;
"Family Trust"	as regards any particular individual Shareholder or any individual deceased Shareholder (as the case may be), any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate "beneficial interest" in any of the Shares of the individual Shareholder or deceased Shareholder question is, for the time being, vested in any person other than the individual Shareholder or deceased individual Shareholder and/or any of his Privileged Relations (as the case may be). For the purposes of this definition, an individual Shareholder or individual deceased Shareholder shall be considered to be "beneficially interested" in a Share if: (a) such Share or the income thereof is liable to be transferred, paid, applied or appointed to, or for the benefit of, such an individual Shareholder or an individual deceased Shareholder; or (b) any voting or other rights attaching thereto are exercisable or capable of being directed to be exercised (or, in the case of a deceased individual Shareholder, were exercisable or were capable of being directed to be exercised): (i) by such individual Shareholder or an individual deceased Shareholder, pursuant to the terms of the trust in question; or (ii) otherwise in consequence or as a result of an exercise of a power or discretion conferred thereby on the individual Shareholder or individual deceased Shareholder in question;
"Financial Year"	has the meaning given to it in section 390 of the Companies Act;
"Founder(s)"	the individual(s) listed as Founders in Schedule 2;
"FSMA"	the Financial Services and Markets Act 2000;
"Fund Manager"	means a person whose principal business is to make, manage or advise upon investments in securities;
"Good Leaver"	a person who ceases to be an Employee at any time during the Relevant Period and who is not a Bad Leaver and shall include, without limitation, when the Board determines that a person is not a Bad Leaver;

"Group Companies" or "Group"	the Company and its Subsidiary Undertakings (if any) from time to time and "Group Company" means any of them and shall be construed accordingly;
"Group Member"	at any relevant time, in relation to any undertaking, a Group Undertaking of that undertaking and "Member of its Group", in relation to any undertaking, means any Group Undertaking (as so defined) of that undertaking;
"hard copy form"	has the meaning given to it in section 1168 of the Companies Act;
"Investor"	means those persons identified in the Shareholders Agreement;
"IPO"	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) on a Recognised Investment Exchange;
"ITEPA"	the Income Tax (Earnings and Pensions) Act 2003;
"ITEPA Election"	a joint election pursuant to section 431 of ITEPA;
"Leaver's Percentage"	means, in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to Article 15) to be converted into Deferred Shares or to be transferred as a result of an Employee ceasing to be an Employee within the period commencing on the date of adoption of these Articles of Association and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below: $100 - ((1/36 \times 100) \times NM),$ where NM = number of full calendar months from the date of adoption of these Articles of Association to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 37th month after the Commencement Date and thereafter;
"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 is a nominee of that Investment Fund: (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 or advised 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 Shareholder or a Subsidiary Undertaking of any such Parent Undertaking;
"Model Articles"	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 such are amended from time to time (and for reference a copy of the version of such model articles in force as at the Date of Adoption is contained in Schedule 1 to these Articles);
"New Securities"	any Shares or other securities convertible into, or carrying the right to subscribe for, any Shares issued by the Company after the Date of Adoption;
"Nominated Custodian"	means Seedrs Nominees, a limited company incorporated in England and Wales under CN: 08756825 whose registered office is at Churchill House, 142-146 Old Street, London EC1V 9BW, United Kingdom, which is fully owned and controlled by the Nominee and which has been appointed by the Nominee as its nominated custodian to be registered as legal shareholder on behalf of the Beneficial Owner;
"Nominee"	means Seedrs Limited, a limited company incorporated in England and Wales under CN: 06848016 whose registered office is at Churchill House, 142-146 Old Street, London EC1V 9BW, United Kingdom, acting as nominee of the Beneficial Owners;
"Offer"	has the meaning given to it in Article 16.2;
"Offer Period"	has the meaning given to it in Article 16.3;
"Original Shareholder"	has the meaning given to it in Article 12.1;
"Permitted Transfer"	a transfer of Shares in accordance with Article 12;
"Permitted Transferee"	in relation to: (a) a Shareholder who is an individual, any of such Shareholder's: (ii) Privileged Relations;

	(iii) Trustees; and
	(iv) Qualifying Companies; and
	(b) a Shareholder which is a company, a Member of the Same Group; and
	(c) an Investor, to (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the same Fund Group as that Investor);
"Privileged Relation"	in relation to an individual Shareholder or an individual deceased Shareholder (as the case may be) means, in each case, any of the following persons of such an individual Shareholder or an individual deceased Shareholder: (a) spouse; (b) Civil Partner; and (c) child or grandchild (including in either case any step, adopted or illegitimate child and their issue);
"Proceeds of Sale"	the consideration payable (including any deferred and/or contingent consideration and whether in cash or otherwise) to those Shareholders selling Shares pursuant to a Share Sale less any professional fees, costs and expenses payable in respect of such Share Sale as approved by the Board;
"Proposed Exit"	has the meaning given to it in Article 5.3;
"Proposed Purchaser"	a proposed purchaser of Shares who, for the purposes of Article 17 only, at the relevant time has made an offer to acquire such Shares on arm's length terms;
"Proposed Sale Date"	has the meaning given to it in Article 16.3;
"Proposed Sale Notice"	has the meaning given to it in Article 16.3;
"Proposed Sale Shares"	has the meaning given to it in Article 16.3;
"Proposed Seller"	any person proposing to transfer any Shares to a Proposed Purchaser;
"Proposed Transfer"	has the meaning given to it in Article 16.1;
"Qualifying Company"	a company in which an individual Shareholder, individual deceased Shareholder or Trustee(s) (as the case may be) holds the entire issued and to be issued share capital of such company and over which that individual Shareholder, deceased Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

"Qualifying Person"	has the meaning given to it in section 318(3) of the Companies Act;
"Recognised Investment Exchange"	has the meaning given in section 285 of FSMA (including for the avoidance of doubt the London Stock Exchange and NASDAQ (and any markets over which either is the operator and regulator));
"Relevant Interest"	has the meaning given to it in Article 22.4;
"Relevant Period"	the period of 39 months from the Commencement Date;
"Sale Shares"	has the meaning given to it in Article 12.11.1;
"Seedrs Platform"	means, the Seedrs platform, which includes the website currently hosted at the domain http://www.seedrs.com and all pages at sub-domains thereof and may, from time to time hereafter, include pages hosted at other domains and identified as forming part of the platform;
"Seller"	has the meaning given to it in Article 12.11;
"Shareholder"	any holder of any Shares (but excluding the Company where it holds any Treasury Shares);
"Shareholder Majority"	the holders of more than fifty per cent (50%) of Shares;
"Shareholder Majority Consent"	the prior written consent of the Shareholder Majority;
"Shareholder Special Majority"	the holders of more than fifty per cent (50%) of Shares (not including the Founders and Co-Founders);
"Shareholder Special Majority Consent"	the prior written consent of the Shareholder Special Majority;
"Shareholders' Agreement"	any agreement entered into from time to time between the Shareholders and the Company relating to, amongst other things, the operation and running of the Company (if any);
"Share Option Plan(s)"	the share option plan(s) of the Company and/or any warrants over shares of the Company from time to time, the terms of which have been approved by the Board;
"Share Sale"	the sale of (or the grant of a right to acquire or to dispose of) any of the Shares (in one transaction or over a series of transactions) which will result in the purchaser of those Shares (or the grantee of such a right to acquire such Shares) and persons Acting in Concert with such acquirer (or grantee (as the case may be)) together acquiring or having a right to acquire a Controlling Interest in the Company (except for any sale or any grant of a right to a Reorganisation Holding Company);
"Shares"	shares in the capital of the Company in issue from time to time;

"Subsidiary", "Subsidiary Undertaking", "Parent Undertaking" and "Group Undertaking"	have the respective meanings given to them sections 1159 to 1162 of the Companies Act (as is so applicable to each respective definition);
"Surplus Assets"	has the meaning given to it in Article 4.1
"Transfer Notice"	has the meaning given to it in Article 12.11;
"Transfer Price"	has the meaning given to it in Article 12.11;
"Treasury Shares"	any Shares held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Companies Act;
"Trustees"	in relation to an individual Shareholder or an individual deceased Shareholder means, in either case, the trustee or the trustees (as the case may be) of a Family Trust;
"undertaking"	has the meaning given to it in section 1161(1) of the Companies Act;
"Unvested Shares"	those Employee Shares which may be required to be converted into Deferred Shares or to be transferred under Article 15.

1.2 The Model Articles shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the terms of these Articles.

1.3 In these Articles and the Model Articles any reference to any statute or statutory provision shall be deemed to include a reference to each and every:

1.3.1 statute or statutory provision as from time to time consolidated, modified, re-enacted (with or without modification) or replaced by any statute or statutory provision; and

1.3.2 any subordinate legislation made under the relevant statutory provision.

1.4 In these Articles:

1.4.1 a **"person"** includes all forms of legal entity including an individual and his personal representatives, company, bodies corporate, unincorporated bodies, unincorporated associations, governmental entities and partnerships;

1.4.2 the singular includes the plural and the plural includes the singular;

1.4.3 one gender includes a reference to the other gender;

1.4.4 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;

1.4.5 **"writing"** or **"written"** includes all modes of representing or reproducing words including typing, printing, lithography, photography, and other modes of representing or reproducing words in a legible and non-transitory form;

- 1.4.6 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4) and 51 of the Model Articles shall not apply to the Company;
 - 1.4.7 references to "£" are to pounds sterling, the lawful currency of the United Kingdom (or such other lawful currency of the United Kingdom as may from time to time replace it);
 - 1.4.8 reference to "issued Shares" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - 1.4.9 reference to the "holders" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.
- 1.5 In respect of any actions, matters or events requiring or seeking the acceptance, approval, agreement or consent of (or any words or phrases having similar effect) a Shareholder Director under these Articles, if at any time:
- 1.5.1 no Shareholder Director has been appointed; or
 - 1.5.2 a Shareholder Director declares in writing to the Board that he considers that providing such acceptance, approval, agreement or consent gives rise or may give rise to a conflict of interest to his duties as a Director,

then in either case, such action or matter shall instead require Shareholder Majority Consent (and the provisions of these Articles shall be construed and interpreted accordingly).

2. SHARE CAPITAL

- 2.1 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.
- 2.2 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 2.3 Subject the approval of the Board and any applicable provisions of the Companies Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Companies Act.
- 2.4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 2.5 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 2.6 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
 - 2.6.1 receive notice of or to attend or vote at any general meeting of the Company;
 - 2.6.2 receive or vote on any proposed written resolution; and
 - 2.6.3 receive a dividend or other distribution,

save, in each case, as otherwise permitted by section 726(4) of the Companies Act.

- 2.7 The Company shall be entitled to retain any share certificate(s) relating to any Departing Person Shares while any such Departing Person Shares remain Unvested Shares.

3. **DIVIDENDS**

- 3.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 3.

- 3.2 Any Available Profits which the Board may determine, with Shareholder Majority Consent, to distribute in respect of any Financial Year, will be distributed among the holders of the Shares (pari passu as if the Shares constituted one class of share) pro rata to their respective number of Shares held.

- 3.3 Subject to the provisions of the Companies Act and these Articles, the Board may, with Shareholder Majority Consent, pay interim dividends if justified by the Available Profits in respect of the relevant period in question.

- 3.4 Every dividend shall accrue on a daily basis assuming a 365-day year and shall, unless otherwise agreed with Shareholder Majority Consent, be paid in cash.

- 3.5 Article 31(1) of the Model Articles shall be amended by:

3.5.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and

3.5.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

4. **LIQUIDATION PREFERENCE**

- 4.1 On a distribution of assets on a liquidation or a return of capital (other than on or as part of a conversion, redemption or purchase of Shares (as the case may be)) the surplus assets of the Company remaining after payment of its liabilities (the "**Surplus Assets**") shall be distributed (to the extent that the Company is lawfully permitted to do so) among the holders of the Shares pro rata (as if the Shares constituted one and the same class) to the number of Shares held.

5. **EXIT PROVISIONS**

- 5.1 On a Share Sale, the Proceeds of Sale shall be distributed in the order of priority set out in Article 4 and the Board shall not register any transfer of Shares if the Proceeds of Sale are not so distributed (save for 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:

5.1.1 the Board shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 4; and

- 5.1.2 the Shareholders shall take any action reasonably required by a Shareholder Majority to ensure that the Proceeds of Sale are distributed in their entirety in the order of priority set out in Article 4.

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 each further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 4.

- 5.2 On an Asset Sale, the Surplus Assets shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 4 provided always that, if it is not lawful for the Company to distribute the Surplus Assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by a Shareholder Majority (including, but without prejudice to the generality of this Article, actions that may be necessary to put the Company into voluntary liquidation) so that Article 4 applies.
- 5.3 Subject to Article 16, in the event of an Exit approved by the Board and a Shareholder Majority in accordance with the terms of these Articles (such an Exit being a "Proposed Exit"), all Shareholders shall consent to, vote for, raise no objections to and waive in full any and all applicable rights, claims and causes of actions in connection with such Proposed Exit (but any such waiver shall not include any waiver of the right to receive any Proceeds of Sale or other monies attaching to the Shares held by such Shareholders) (and such positives actions imposed on such Shareholders and the waiver of any and all such rights, claims and causes of actions together being the "Actions"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate any Proposed Exit. If any Shareholder fails to comply with the provisions of this Article:
- 5.3.1 the Company shall be constituted the agent of each defaulting Shareholder for taking those Actions that the Board deems necessary to effect the Proposed Exit;
- 5.3.2 the Board may authorise on behalf of the Company any officer or any Shareholder to execute and deliver on behalf of such defaulting Shareholder the documents necessary for and in respect of the Proposed Exit; and
- 5.3.3 the Company may receive any Proceeds of Sale or other monies due or owing, or which may become due or owing, to a defaulting Shareholder on trust for and on behalf of that defaulting Shareholder.

6. VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 6.1 The Shares shall confer on each holder 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.
- 6.2 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.

7. CONSOLIDATION OF SHARES

- 7.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to a fraction or fractions of a Share, the Board may:

- 7.1.1 for and on behalf of those Shareholders, aggregate and then sell the Shares representing those fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Act, the Company);
- 7.1.2 distribute the net proceeds of sale resulting from such a sale set out in Article 7.1.1 pro rata (according to the proportion that a Shareholder's aggregate fraction(s) bears to the aggregate of all of the fractions of all of the relevant Shareholders forming such aggregation in question) among those relevant Shareholders; and
- 7.1.3 authorise any person to execute an instrument of transfer of any such Shares to, or in accordance with the directions of, any purchaser of such Shares.

In such an instance, a purchaser of any such Shares shall not be bound to see to the application of the purchase money nor shall his title to the Shares purchased by him be affected in any way by any irregularity in, or invalidity of, the proceedings in reference or related to the sale.

- 7.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the provisions of the Companies Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from any such sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

8. DEFERRED SHARES

- 8.1 Subject to the Companies Act, any Deferred Shares may be redeemed by the Company at any time at its option for the aggregate sum of one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 8.2 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:
 - 8.2.1 appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Companies Act) to the Company itself, in any such case 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/or
 - 8.2.2 receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
 - 8.2.3 give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
 - 8.2.4 retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.
- 8.3 No Deferred Share may be transferred without the prior consent of the Board.

9. **VARIATION OF RIGHTS**

- 9.1 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 a Shareholder Special Majority of the issued shares of that class.
- 9.2 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.

10. **ALLOTMENT OF NEW SHARES OR OTHER SECURITIES**

- 10.1 Unless otherwise agreed with Shareholders Special Majority Consent (which must include the consent of the Nominee) and by special resolution passed in general meeting, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Shares on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions, and calculated on a fully diluted basis). The offer (the "**Pro-Rata Participation Offer**"):
- 10.1.1 shall be in writing, give details of the number and subscription price of the New Securities and the period (being not less than 10 Business Days) within which the offer must be accepted; and
- 10.1.2 may stipulate that any holder of Shares who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe.
- 10.2 Any New Securities not accepted by the holders of Shares pursuant to the offer made to them in accordance with Article 10.1 shall be used for satisfying any requests for Excess Securities made pursuant to Article 10.1 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to holders of Shares in accordance with Article 10.1 (as nearly as may be without involving fractions and calculated on a fully diluted basis) and after that allotment, any Excess Securities remaining shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the holders of Shares.
- 10.3 Subject to Articles 10.1 and 10.2 above and to the provisions of section 551 of the Companies Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 10.4 The provisions of Articles 10.1 to 10.3 shall not apply to:
- 10.4.1 options to subscribe for Shares under any employee share option plans; and
- 10.4.2 New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by the Board (including any investor Director); and

- 10.4.3 New Securities issued as a result of a bonus issue of Shares to all Shareholders on a pro rata basis which has been approved in writing by the Board (including any investor Director).
- 10.5 No shares shall be allotted to any Employee, Director, prospective employee 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 an ITEPA election with the Company.
- 10.6 Any Shares subscribed for by the Nominee pursuant to the Pro-Rata Participation Offer shall be for and on behalf of the Beneficial Owners and, unless the Nominee otherwise agreed in writing, must be offered to the Beneficial Owners either through the Seedrs Platform or using any other method as prescribed by the Nominee from time to time.
11. **TRANSFERS OF SHARES – GENERAL**
- 11.1 In Articles 11 to 17 inclusive, reference to:
- 11.1.1 a Share includes a beneficial or other interest in a Share.
- 11.1.2 the transfer of a Share includes:
- 11.1.2.1 the transfer or assignment (as the case may be) of a beneficial or other interest in that Share; or
- 11.1.2.2 the creation of a trust or Encumbrance over that Share.
- 11.2 No Share may be transferred unless such transfer is made in accordance with these Articles.
- 11.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all of the Shares held by him.
- 11.4 Any transfer of a Share which is required to be made under these Articles will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.5 The Board may refuse to register a transfer of a Share if:
- 11.5.1 it is a transfer to a bankrupt, a minor or a person that is of unsound mind;
- 11.5.2 it is a transfer to any Employee, Director or director of any other Group Company or any prospective Employee, prospective Director or prospective director of any other Group Company (as the case may be) who, in the opinion of the Board, is subject to taxation in the United Kingdom, and such person has not entered into an ITEPA Election with the Company;
- 11.5.3 the transfer is not lodged at the registered office or at such other place as the Directors may appoint; or
- 11.5.4 the transfer is not accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

If the Board refuses to register a transfer of a Share, the instrument(s) of transfer for such Share must be returned to the relevant transferee together with a notice of refusal stating the grounds upon which the transfer has been so refused, unless the Board suspects that the proposed

transfer may be fraudulent (in which case the Board shall not be required to return any instrument of transfer to the transferee or send to that transferee any notice of refusal).

11.6 The Board may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any Shareholders' Agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Board may reasonably require and, if any such condition is imposed in accordance with this Article 11.6, the transfer in question may not be registered unless that deed has been executed and delivered to the Company's registered office by the relevant transferee.

11.7 To enable the Board to determine whether or not there has been any disposal of any Shares (or the disposal of any interest in such Shares) in breach of any provisions of these Articles, the Board may require by way of notice in writing:

11.7.1 any Shareholder; or

11.7.2 the legal personal representatives of any deceased Shareholder; or

11.7.3 any person named as transferee in any transfer of any Share (or interest in any Share) lodged for registration with the Company; or

11.7.4 any other person who the Board may reasonably believe to have information relevant to that purpose,

to furnish to the Company in writing within such period of time that the Board may require (such period of time, without the consent of the Shareholder in question, not to be less than the date falling five Business Days from, but not including, the date that the Board notifies in writing each relevant person set out in Articles 11.7.1 to Article 11.7.4 (inclusive)) such information and evidence that the Board may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name. If all of the information or evidence is not provided by each relevant person set out in Articles 11.7.1 to Article 11.7.4 (inclusive) within the period of time set out in any notice from the Board to them in order to enable the Board to determine to its reasonable satisfaction that no breach has occurred, or where, as a result of the information and evidence provided, the Board is reasonably satisfied that a disposal of any Shares (or a disposal of any interest in such Shares) has occurred in breach of any provisions of these Articles, the Directors shall immediately notify the relevant Shareholder in writing of that fact (such notice being a "**Breach Notice**") and the following shall occur:

11.7.5 the relevant Shares so disposed of shall, from the date of the Breach Notice, cease to confer upon the holder of them (including any proxy appointed by that holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question);

11.7.6 the payment of all dividends or other distributions otherwise attaching to the relevant Shares so disposed of, or to any further shares issued in respect of those relevant Shares, shall be withheld as of the date of the Breach Notice; and

11.7.7 the:

- 11.7.7.1 holder of the Shares in question may be required by the Board, either in the Breach Notice or by way of a separate notice in writing at any time following the date of the Breach Notice, to transfer some or all of its Shares to any person(s) at such price per Share that the Board may require; and
 - 11.7.7.2 Permitted Transferees of the holder of the Shares in question may be required by the Board, either in the Breach Notice or by way of a separate notice in writing at any time following the date of the Breach Notice, to transfer some or all of its Shares that have not been acquired directly or indirectly by that Permitted Transferee from the holder of the Shares in question as a result of that Permitted Transferee's relationship with such holder of Shares in question to any person(s) at such price per Share that the Board may require.
- 11.8 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of ten Business Days following (but not including) the date of any demand being made by the Board, a Transfer Notice shall automatically be deemed to have been given immediately upon the date of expiration of that period.
- 11.9 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
 - 11.9.1 the Transfer Price for the Sale Shares will be such price as agreed between the Board (with any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Companies Act) not voting or otherwise being entitled to vote on any resolution of the Board) and the Seller, or, failing any such agreement, within a period of five Business Days from (but not including) the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, such Transfer Price will be the Fair Value of the Sale Shares;
 - 11.9.2 it does not include a Minimum Transfer Condition (as defined in Article 12.11.4); and
 - 11.9.3 the Seller wishes to transfer all of the Shares held by it.
- 11.10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Board, which is executed by or on behalf of the transferor.
- 12. **PERMITTED TRANSFERS**
- 12.1 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.
- 12.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 12.3 If a Permitted Transferee who was only a Permitted Transferee due to being a Member of the same Group as the Original Shareholder ceases at any point to be a Member of the same Group as the Original Shareholder, such Permitted Transferee must, not later than the date falling five Business Days from (but not including) the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise, failing which (or if such a transfer is not otherwise possible) it will be deemed to have given a Transfer Notice in respect of those Shares.
- 12.4 Subject to the provisions of Article 12.5, Trustees may:
- 12.4.1 transfer Shares to a Qualifying Company; or
 - 12.4.2 transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or
 - 12.4.3 transfer Shares to the new or remaining trustees upon a change of Trustees,
- in each case without restrictions as to price or otherwise.
- 12.5 No transfer of Shares may be made to any Trustees or new trustees unless the Board is satisfied:
- 12.5.1 with the terms of the trust instrument (and, in particular, with the powers of the trustees);
 - 12.5.2 with the identity of any Trustees or new proposed trustees;
 - 12.5.3 that the proposed transfer will not result in 50 per cent. or more of the aggregate of the Company's equity share capital being held by the Trustees or trustees (as the case may be) of the same and any other trusts; and
 - 12.5.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company or any other Group Member.
- 12.6 If a Permitted Transferee who was only a Permitted Transferee due to being a Qualifying Company of the Original Shareholder ceases at any point to be a Qualifying Company of the Original Shareholder, such Permitted Transferee must, within a period of five Business Days from (but not including) the date of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (and may do so without restriction as to price or otherwise) failing which (or if such a transfer is not otherwise possible) it will be deemed (unless it obtains the approval of the Board to have given a Transfer Notice in respect of such Shares.
- 12.7 If a Permitted Transferee who was only a Permitted Transferee due to being a spouse or Civil Partner of the Original Shareholder (as the case may be) ceases at any point to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise such Permitted Transferee must, within a period of 15 Business Days from, but not including, the date of so ceasing either:
- 12.7.1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

12.7.2 give a Transfer Notice to the Company in accordance with Article 12.11,

failing which such Permitted Transferee shall be deemed to have given a Transfer Notice in respect of such Shares.

12.8 On the death (subject to Article 12.2), 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 a period of five Business Days from (but not including) 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 any restriction as to price or otherwise. Such a transfer shall be made 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 that Original Shareholder. If the transfer is not executed and delivered within such five Business Day 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 in respect of such Shares.

12.9 A transfer of any Shares to a person other than a Permitted Transferee must be approved by the Board prior to such transfer and may be made:

12.9.1 without restriction as to price or otherwise; and

12.9.2 with any such conditions as may be imposed,

and each such transfer shall be registered by the Board.

12.10 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with Shareholder Special Majority Consent.

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

12.11.1 the number of Shares which he wishes to transfer (the "Sale Shares");

12.11.2 the name of the proposed transferee;

12.11.3 the price at which he wishes to transfer the Sale Shares (the "Transfer Price"); and

12.11.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "Minimum Transfer Condition").

12.12 Except with the prior written consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn or otherwise revoked.

12.13 A Transfer Notice constitutes with effect from the time at which it is served the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

12.14 Each Beneficial Owner may transfer his or her interest in any Shares to any person, without notice to the Company and at any time, so long as the Nominee and the Nominated Custodian remain the same in respect of such Shares immediately after such transfer. If a transfer is made

pursuant to this Article 12.14, the new Beneficial Owner shall be treated as the Beneficial Owner for all purposes of these Articles and any Subscription and Shareholders' Agreement.

- 12.15 The Nominee may, at any time and entirely at its discretion, appoint any other person as a replacement nominee (a **"New Nominee"**). If a transfer of the nominee role of the Nominee is made pursuant to this Article 12.15, the New Nominee shall be deemed to be the Nominee for the purposes of these Articles and any Subscription and Shareholders' Agreement, and such documents shall be interpreted as granting to the New Nominee the same rights granted to the Nominee and the New Nominee may appoint its own nominated custodian to replace the Nominated Custodian in accordance with Article 12.15.
- 12.16 The Nominee may, at any time and entirely at its discretion, appoint any other person to replace the Nominated Custodian (a **"New Nominated Custodian"**), and instruct the Nominated Custodian to transfer the legal interest in the Shares held by the Nominated Custodian to the New Nominated Custodian to hold as registered legal shareholder on behalf of the Beneficial Owners. If a transfer of the Nominated Custodian's role is made pursuant to this Article 12.16, the New Nominated Custodian shall be deemed the Nominated Custodian for the purposes of these Articles and any Subscription and Shareholders' Agreement, and such documents shall be interpreted as granting to the New Nominated Custodian the same rights granted to the Nominated Custodian.
- 12.17 The Nominee may, at any time and entirely at its discretion, instruct the Nominated Custodian to transfer the legal title of any Shares held by the Nominated Custodian to the relevant Beneficial Owner(s), whereupon the obligations of the Nominee and the Nominated Custodian under these Articles and any Subscription and Shareholders' Agreement will terminate, and the Board shall enter such Beneficial Owner(s) in the register of members and record such transfer in the register of transfers.

13. VALUATION OF SHARES

- 13.1 If no transfer price can be agreed between the Seller and the Board then, on the applicable date of failing agreement, the Board shall either:
- 13.1.1 appoint an expert valuer in accordance with Article 13.2 (the **"Expert Valuer"**) to certify the Fair Value of the Sale Shares; or
 - 13.1.2 (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 13.2 The Expert Valuer will be either:
- 13.2.1 the Accountants; or
 - 13.2.2 (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller and, failing agreement within a period of ten Business Days after (but not including) the date of service of the Transfer Notice, such independent firm as is nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party.

- 13.3 Both the Board and the Seller shall sign the Expert Valuer's conditions of appointment. If the Seller fails to do so, the chairman of the Company or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller sign the Expert Valuer's conditions of appointment and any other documents necessary to give effect to the appointment of the Expert Valuer.
- 13.4 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 13.4.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 13.4.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 13.4.3 that the Sale Shares are capable of being transferred without restriction;
 - 13.4.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - 13.4.5 reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 13.5 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit, including (to the extent they reasonably consider necessary) instructing professional advisers to assist them in reaching their determination. The fees of any such professional advisers will be borne in accordance with the terms of Article 13.10.
- 13.6 The Expert Valuer shall be requested to:
- 13.6.1 determine the Fair Value within a period of ten Business Days following (but not including) the date of their appointment; and
 - 13.6.2 unless otherwise agreed by the Board, promptly following such determination, notify the Board in writing of their determination (prior to delivering to the Board the certificate referred to in Article 13.9).
- 13.7 The Expert Valuer shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of fraud, manifest error, or breach of the duty of care required of them pursuant to their conditions of appointment).
- 13.8 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to the Expert Valuer agreeing to such confidentiality provisions as the Board may reasonably seek to impose.
- 13.9 The Expert Valuer shall deliver a certificate to the Company confirming any determination of the Fair Value and, within a reasonable period of time following the date that the Company receives such certificate, the Board shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice which is deemed to have been served, the Seller may by notice in writing to the Company within the period of five Business Days following (but not including) the

date of service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

- 13.10 The cost of obtaining the certificate of the Expert Valuer shall be paid in full by the Company unless:

13.10.1 the Seller cancels the Company's authority to sell; or

13.10.2 the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Board to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the full cost of the Expert Valuer.

14. **COMPULSORY TRANSFERS**

- 14.1 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 Board.

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

14.2.1 to effect a Permitted Transfer of such Shares (including, for this purpose, any election to be registered in respect of any such Permitted Transfer); or

14.2.2 to show to the satisfaction of the Board 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 14.2 shall not be fulfilled to the satisfaction of the Board a Transfer Notice shall be deemed to have been given in respect of each such Share (unless otherwise determined by the Board).

- 14.3 If a Shareholder which is a body corporate either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), 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 (unless otherwise determined by the Board).

- 14.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a body corporate, it shall be bound at any time, if and when required in writing by the Board to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their 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 before being required to serve a Transfer Notice.

- 14.5 Where a Shareholder holds a legal interest in a Share on behalf of another person and the Company is on notice of such arrangement, the provisions of Articles 14.3 to 14.4 shall not apply to such Shareholder, and instead if such a Shareholder suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, or if there is a change of control then:

14.5.1 If the Shareholder notifies the Company of its intention to transfer the legal interest in the relevant Shares within one month from the date of such appointment or composition or arrangement or change of control, then the Company shall, together with such Shareholder, take such steps as may be reasonably be required to effect such a transfer of the legal interest of the relevant Shares; and

14.5.2 If the Shareholder fails to notify the Company in accordance with Article 14.5.1 then a Compulsory Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

15. **DEPARTING EMPLOYEES**

Deferred Shares

15.1 Subject to Article 15.3, if at any time during the Relevant Period an Employee ceases to be an Employee, the Leaver's Percentage of all the Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Share held) on the Effective Termination Date (rounded down to the nearest whole share) .

15.2 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 Deferred Conversion Date. Upon the Deferred Conversion Date, the Employee (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the shares 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 Unvested 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 Shares.

Deemed Transfer Notice

15.3 The Board shall be entitled to determine that, in the alternative to Article 15.1, if an Employee ceases to be an Employee a Transfer Notice shall be deemed to be given in respect all of the Employee Shares which were to convert into Deferred Shares under Article 15.1 on the Effective Termination Date.

15.4 In such circumstances the Transfer Price shall be as follows:

15.4.1 where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver, the lower of Fair Value and the nominal value of the Employee Shares;

15.4.2 where the relevant Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value.

15.5 For the purposes of this Article, Fair Value shall be as agreed between the Board and the relevant Employee, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 13.

Suspension of voting rights

15.6 All voting rights attached to Employee Shares held by an Employee or by any Permitted Transferee of that Employee (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board notify him otherwise.

- 15.7 Any Employee Shares whose voting rights are suspended pursuant to Article 15.5 ("**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 15.5 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.
16. **MANDATORY OFFER ON A CHANGE OF CONTROL: TAG ALONG**
- 16.1 Except in the case of transfers pursuant to Article 14, the provisions of Article 16.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any 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.
- 16.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to any Shareholders to acquire all of the Shares of such other Shareholders for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 16.6).
- 16.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least ten Business Days (the "**Offer Period**") prior to (but not including) the proposed completion date of the Proposed Transfer ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents:
- 16.3.1 the identity of the Proposed Purchaser;
 - 16.3.2 the Specified Price;
 - 16.3.3 any other terms and conditions of payment relating to the Offer and any other terms of conditions applying to the Proposed Transfer;
 - 16.3.4 the Proposed Sale Date; and
 - 16.3.5 the number of Shares proposed to be purchased by the Proposed Purchaser as part of the Offer (and such number of Shares being the "**Proposed Sale Shares**") and also in respect of the Proposed Transfer.
- 16.4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled or otherwise able to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 16.5 If the Offer is accepted by a Shareholder (being 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 Shares held by all Accepting Shareholders.
- 16.6 For the purpose of this Article:
- 16.6.1 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:

16.6.1.1 in the Proposed Transfer; or

16.6.1.2 in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the period of 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in Article 16.6.2, of any other consideration (whether 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 in accordance with the provisions of Articles 4 and 5; and

16.6.2 a **Relevant Sum** = $C \div A$

where:

A is the number of Shares being sold in connection with the relevant Proposed Transfer; and

C is the amount of the Supplemental Consideration.

17. **DRAG-ALONG**

17.1 If a Shareholder Majority (including any Unvested Shares, but excluding any Treasury Shares) (the "**Drag Shareholders**") wish to transfer all their interest in shares (the "**Drag Shares**") to a Proposed Purchaser, then the Drag Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of shares (the "**Called Shareholders**") to sell and transfer all their shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article

17.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time prior to, but not including, the date of completion of the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify:

17.2.1 that the Called Shareholders are required to transfer all their Shares and interests in them (the "**Called Shares**") as so required under this Article;

17.2.2 the name of the person to whom their Called Shares and the Sellers' Shares are to be transferred;

17.2.3 the consideration for which each of the Called Shares and the Sellers' Shares are to be transferred (which, in each case, shall be calculated in accordance with the provisions of this Article);

17.2.4 the proposed date of completion of the transfer of the Called Shares and the Sellers' Shares; and

- 17.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (and such being the "**Sale Agreement**"),
- (and, in the case of Articles 17.2.2 to 17.2.4 (inclusive), whether such is actually specified or to be determined in accordance with any mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement (as the case be) may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 17.3 Drag Along Notices shall be irrevocable but will lapse if, for any reason, there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within a period of 60 Business Days following (but not including) the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices on the Called Shareholders following the date that any particular Drag Along Notice lapses.
- 17.4 The consideration (in cash or otherwise) for which the Called Shareholders and the Selling Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 4 and 5 (and such total consideration being the "**Drag Consideration**").
- 17.5 In respect of a transfer that is the subject of a Drag-Along Notice and with respect to any Drag Document (as defined in Article 17.6), a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for all lost share certificate(s), each of such being in a form acceptable to the Board (if deemed by the Board to be so necessary)) upon payment to him of the relevant proportion of the Drag Consideration when such Drag Consideration falls due and shall not be obliged to give any warranties or indemnities except warranties confirmation that the Called Shareholder in question:
- 17.5.1 has full capacity and authority to enter into a Drag Document;
- 17.5.2 is not in liquidation, bankrupt, in administration or in administrative receivership or otherwise subject to any similar insolvency proceedings, events or otherwise;
- 17.5.3 is the sole legal and beneficial owner of the Called Shares or has the right to transfer the legal and beneficial ownership of the Called Share; and
- 17.5.4 is capable of transferring the full legal and beneficial ownership of the Called Shares to the Drag Purchaser free and clear of any and all Encumbrances.
- 17.6 Within a period of three Business Days following (but not including) the date that the Company copies the Drag Along Notice to the Called Shareholders, as set out more particularly in Article 17.2 (or such later date as may be specified in the Drag Along Notice) (and such relevant date (as the case may be) being the "**Drag Completion Date**"), each Called Shareholder shall deliver to the Company:
- 17.6.1 duly executed stock transfer form(s) for all of its Shares in favour of the Drag Purchaser;
- 17.6.2 the relevant share certificate(s) (or a duly executed indemnity for lost share certificate(s) in a form acceptable to the Board) to the Company; and

17.6.3 a duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified following the date of the Drag Along Notice by the Company,

(together all of such forms, certificate(s) and agreements being the "Drag Documents").

17.7 On the relevant Drag Completion Date, the Company shall pay to each Called Shareholder and each Selling Shareholder, for and on behalf of the Drag Purchaser, the relevant proportion of the Drag Consideration that is due to such Called Shareholder (but in all instances only to the extent the Drag Purchaser has paid to the Company all of the Drag Consideration). The Company's receipt of all of the applicable Drag Consideration shall, for all purposes, be treated as a good discharge of the Drag Purchaser of its obligations to pay such amount under these Articles to the Called Shareholders and the Selling Shareholders. Upon and following receipt (save where otherwise permitted to be paid to the Called Shareholders and the Selling Shareholders under this Article) the Company shall hold the Drag Consideration in trust for each of the Called Shareholders and Selling Shareholders without (save as otherwise agreed with the Board) any obligation to pay interest on such (or any part of such) amount.

17.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid all of the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under a Drag Along Notice in respect of such Called Shares.

17.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the relevant Drag Completion Date, the Company and each Director shall automatically be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are considered by the Board to be reasonably necessary to effect the transfer of the relevant Called Shares the subject of a Drag Along Notice and the Board shall, if requested by the Drag Purchaser, authorise any Director to transfer the relevant Called Shares on that Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid all of the Drag Consideration to the Company for the relevant Called Shareholder's Called Shares offered to him. The Board shall then authorise registration of the transfer of such relevant Called Shares once the full amount of appropriate stamp duty has been paid. Each defaulting Called Shareholder shall surrender each of his share certificate(s) for his Called Shares (or an indemnity in respect of any lost share certificate(s)) to the Company and, upon any such surrender, he shall be entitled to be paid the relevant proportion of the Drag Consideration due to him.

17.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder (where such person was not, prior to the date of the Drag Along Notice, a Shareholder) pursuant to:

17.10.1 the exercise of a pre-existing option, warrant or other right to acquire any Shares; and/or

17.10.2 the conversion of any convertible security of the Company,

(and in each case any such person shall be a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on each such New Shareholder on the same terms as the previous Drag Along Notice and each such New Shareholder shall then be bound to sell and transfer any and all Shares so acquired by him to the Drag Purchaser and the provisions of this Article shall apply and be construed accordingly so as to apply to each New Shareholder (save that the Drag

Completion Date in respect of each such New Shareholder shall take place immediately on the Drag Along Notice being deemed served on each such New Shareholder).

Asset Sale

- 17.11 In the event that an Asset Sale is approved by the Board and the holders of 75 per cent. of the Shares (including any Unvested Shares, but excluding any Treasury Shares) such aforementioned consenting Shareholders shall have the right, by notice in writing to all of the other remaining Shareholders, to require such other remaining Shareholders to take any and all such actions as may be necessary (in the discretion of the aforementioned consenting Shareholders) in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 4 and 5.

18. GENERAL MEETINGS

- 18.1 If the Board is required by the Shareholders under section 303 of the Companies Act to call a general meeting, the Board shall convene the meeting for a date falling no later than 28 days after the date on which the Board became subject to such requirement under section 303 of the Companies Act.
- 18.2 The provisions of section 318 of the Companies Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent. in nominal value of the Voting Shares in issue (excluding Treasury Shares), any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 18.3 If any two or more Voting Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman of the Board for such meeting.
- 18.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 18.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 18.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time

appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a Business Day.

19. APPOINTMENT AND REMOVAL OF DIRECTORS

19.1 Unless and until the Company in general meeting or by written resolution of the members shall otherwise determine with Investor Majority Consent, the number of Directors shall not be less than two and shall not exceed five.

19.2 The Founders shall be entitled to nominate one person to act as a Director of the Company by notice in writing addressed to the Company from time to time and the other holders of shares shall not vote their shares so as to remove that Director (the "**Founder Director**") from office. The Founders shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.

19.3 Each Director who is also a Shareholder shall be entitled by the giving of a notice in writing to the Company (each such notice being an "**SD Appointment Notice**") to be appointed to:

19.3.1 any committee of the Board established from time to time;

19.3.2 the board of directors of any other Group Company; and

19.3.3 to any committee of the board of directors of any other Group Company from time to time,

and any appointment of such Shareholder Director to any such committee of the Board, board of directors of any other Group Company and committee of the board of directors of any other Group Company (as the case may be) will take effect at and from the time when an SD Appointment Notice from a Shareholder Director is received at the registered office of the Company or produced to a meeting of the Board (as the case may be). Unless otherwise set out in the articles of association (or any analogous constitutional document) of any other Group Company the remaining provisions of this Article 19 shall apply mutatis mutandis in respect of any appointment of any Shareholder to any board of committee set out in Articles 19.3.1 to 19.3.3 (inclusive).

20. 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:

20.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Board resolves that his office be vacated; or

20.2 a majority of his co-Directors serve notice on him in writing, removing him from office.

21. PROCEEDINGS OF DIRECTORS

21.1 The quorum for Directors' meetings shall be two Director(s) which shall include the Founder Director if appointed. 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 Founder

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.

- 21.2 If all of the Directors participating in a meeting of the Board are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority, the location of the chairman shall be deemed to be the place of the meeting.
- 21.3 Notice of a Board meeting need not be given to Directors who waive their entitlement to receive notice of that meeting, by such waiving Director giving notice to that effect to the Company at any time before (or after, if so applicable) the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at such a meeting.
- 21.4 Provided (if these Articles so require) that he has declared to the other Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Board or of a committee of the Board 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.
- 21.5 Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote provided that the chairman shall not have a casting vote on a vote on a particular matter upon which he is otherwise restricted from voting.
- 21.6 A decision of the Board may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

22. DIRECTORS' INTERESTS

Specific interests of a Director

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

22.1.1 where a Director (or that Director's Associates):

22.1.1.1 is:

- (a) a party to or in any way directly or indirectly interested in; or
- (b) 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;

- 22.1.1.2 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;
- 22.1.1.3 is a Shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, any Group Undertaking of the Company;
- 22.1.1.4 holds and is remunerated in respect of any office or place of profit (other than the office of Accountant) in respect of a Group Company or a body corporate in which a Group Company is in any way interested;

22.1.2 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 a Group Company or any body corporate in which a Group Company is in any way interested;

22.1.3 where:

22.1.3.1 a Director (or that Director's Associates or any body corporate of which that Director is a shareholder or employee) acts; or

22.1.3.2 any body corporate promoted by the Company or in which the Company is in any way interested of which a Director is also a director, employee or other officer of, may act

in each case 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 Accountant), whether or not that Director or other party referred to in this Article 22.1.3 is remunerated for so acting;

22.1.4 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

22.1.5 any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

22.2 For the purposes of this Article 22, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

22.3 In, or as part of, any situation or interest permitted by this Article 22 (save as otherwise agreed by him) a Director shall not, by reason of his holding of office, be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds or as a result of any such situation, interest or benefit.

Terms and conditions of Board authorisation

22.4 Subject to the provisions of Article 22.5, any authority given in accordance with section 175(5)(a) of the Companies Act in respect of a Director ("**Interested Director**") who has proposed that the

other Directors authorise an interest proposed by him (and each such interest shall be a "Relevant Interest") pursuant to that section may, for the avoidance of doubt:

- 22.4.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - 22.4.1.1 restricting that Interested Director from voting on any resolution put to a meeting of the Board or of a committee of the Board in respect of or in relation to that Relevant Interest;
 - 22.4.1.2 restricting the Interested Director from being counted in the quorum at a meeting of the Board or of a committee of the Board where such Relevant Interest is to be discussed; or
 - 22.4.1.3 restricting the application of the provisions set out in Articles 22.6 and 22.7, so far as is permitted by law, in respect of such Interested Director in relation to that Relevant Interest; or
- 22.4.2 be withdrawn or varied at any time by the Directors entitled to authorise that Relevant Interest as such Directors see fit from time to time.

Subject to the provisions of Article 22.5, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by those Directors entitled to authorise the Interested Director to have or hold that Relevant Interest pursuant to the provisions of section 175(5)(a) of the Companies Act and this Article 22.

Terms and conditions of Board authorisation for a Shareholder Director

- 22.5 Notwithstanding the other provisions of this Article 22, it shall not (save with the consent in writing of a Shareholder Director) be made a condition of any authorisation of an interest or situation in relation to, or in respect of, a Shareholder Director in accordance with section 175(5)(a) of the Companies Act, that he shall be:
 - 22.5.1 restricted from voting or counting in the quorum at any meeting of, or of any committee of the Board; or
 - 22.5.2 required to disclose, use or apply confidential information as contemplated in Article 22.7.

Director's duty of confidentiality to a person other than the Company

- 22.6 Subject to Article 22.7 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 22), if a Director, otherwise than by virtue of his position as a Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required to:
 - 22.6.1 disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
 - 22.6.2 otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 22.7 Where a duty of confidentiality referred to in Article 22.6 arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, the provisions of Article 22.6 shall apply only if the conflict of interests in question arises out of a matter which falls within Article 22.1 or has otherwise been authorised in accordance with section 175(5)(a) of the Companies Act.

Additional steps to be taken by a Director to manage a conflict of interest

- 22.8 Where a Director has an interest or is in a situation which can reasonably be regarded by the Board as likely to give rise to a conflict of interest, the Director in question shall take such additional steps as may be necessary or desirable (in each case as determined by the Board, acting reasonably) for the purpose of managing such conflict of interest, including but not limited to, compliance with any procedures laid down from time to time by the Board for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Board for the purpose of, or in connection with, the interest or situation, including without limitation:

- 22.8.1 absenting himself from any discussions, whether in meetings of the Board or otherwise, at which the relevant situation or matter falls to be considered; and
- 22.8.2 excluding himself from documents or other information that is made available to the Directors generally in relation to such interest or situation and/or arranging for such documents or other information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or other information.

Requirement of a Director to declare an interest

- 22.9 Subject to the provisions of section 182 of the Companies Act, a Director shall declare the nature and extent of any interest permitted by Article 22.1 at a meeting of the Board, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Companies Act or in such other manner as the Board may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- 22.9.1 falling under Article 22.1.4;
- 22.9.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 22.9.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Companies Act) that have been or are to be considered by a meeting of the Board, or by a committee of the Board appointed for the purpose under these Articles.

Shareholder approval

- 22.10 Subject to the provisions of section 239 of the Companies Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 22.
- 22.11 For the purposes of this Article 22:

- 22.11.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties; and
- 22.11.2 a general notice to the other Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

23. NOTICES

- 23.1 Subject to the requirements set out in the Companies Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Companies Act, may be given, sent or supplied:

- 23.1.1 in hard copy form;
- 23.1.2 in electronic form; or
- 23.1.3 (by the Company) by means of a website (other than notices calling a meeting of the Board),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Companies Act, except to the extent that a contrary provision is set out in this Article.

Notices in hard copy form

- 23.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

- 23.2.1 to the Company or any other company at its registered office; or
- 23.2.2 to the address notified to or by the Company for that purpose; or
- 23.2.3 in the case of an intended recipient who is a Shareholder or his legal personal representative or trustee in bankruptcy, to such Shareholder's address as shown in the Company's register of members; or
- 23.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or
- 23.2.5 to any other address to which any provision of the Companies Acts (as defined in the Companies Act) authorises the document or information to be sent or supplied; or
- 23.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 23.2.1 to 23.2.5 above, to the intended recipient's last address known to the Company.

- 23.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- 23.3.1 if delivered, at the time of delivery; and

23.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

23.4 Subject to the provisions of the Companies Act, any notice or other document in electronic form given or supplied under these Articles may:

23.4.1 if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

23.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 23.2; or

23.4.3 be sent by such other electronic means (as defined in section 1168 of the Companies Act) and to such address(es) as the Company may specify:

23.4.3.1 on its website from time to time; or

23.4.3.2 by notice (in hard copy or electronic form) to all Shareholders.

23.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

23.5.1 if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

23.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;

23.5.3 if delivered in an electronic form, at the time of delivery; and

23.5.4 if sent by any other electronic means as referred to in Article 23.4.3, at the time such delivery is deemed to occur under the Companies Act.

23.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

Notice by means of a website

23.7 Subject to the provisions of the Companies Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website, and shall be deemed to have been served and be effective on written notice to the Shareholders that such notice, other document or information has been made available on the Company's website.

General

23.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

23.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Companies Act or otherwise).

24. **AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

24.1 The Board may, if authorised to do so by an ordinary resolution (with Shareholder Majority Consent):

24.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

24.1.2 appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "**Shareholders Entitled**").

Article 36 of the Model Articles shall not apply to the Company.

24.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.

24.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, such Shares of which are then allotted, credited as fully paid, to the Shareholders Entitled or as they may direct.

24.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.

24.5 Subject to the other provisions of these Articles, the Board (with Shareholder Majority Consent) may:

24.5.1 apply Capitalised Sums in accordance with Articles 24.3 and 24.4 partly in one way and partly another (as the Board (with Shareholder Majority Consent) may in its sole discretion determine); and

24.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 24.

25. **DATA PROTECTION**

25.1 Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information 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. Other than as required

by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

Schedule 1

THE MODEL ARTICLES

SCHEDULE 1

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Shareholders' reserve power

- 4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

- 5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions,

as they think fit.

- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

(a) the company only has one director, and

(b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
 - (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

- 12.—**(1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
 - (3) The directors may terminate the chairman's appointment at any time.
 - (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

- 13.—**(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

- 14.—**(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
 - (3) This paragraph applies when—
 - (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
 - (4) For the purposes of this article, the following are permitted causes—
 - (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
 - (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
 - (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

16. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension,

- allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

- 21.—**(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

- 22.—**(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- (2) 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, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

23. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Share certificates

- 24.—**(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- (2) Every certificate must specify—
- (a) in respect of how many shares, of what class, it is issued;
 - (b) the nominal value of those shares;

- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, only one certificate may be issued in respect of it.
- (5) Certificates must—
 - (a) have affixed to them the company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

- 25.—(1) If a certificate issued in respect of a shareholder's shares is—
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued with such a replacement certificate—
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

- 26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

- 27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
 - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

28.—(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

- 36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—
- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- (2) Capitalised sums must be applied—
- (a) on behalf of the persons entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may—
- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
 - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

- 37.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

38. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

Adjournment

41.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company’s general meetings is required to be given, and

- (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

42. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

43.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

44.—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

- 46.—**(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

- 47.—**(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

- 48.—**(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

- 49.—**(1) Any common seal may only be used by the authority of the directors.

- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is—
- (a) any director of the company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

Provision for employees on cessation of business

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(1) Subject to paragraph (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 Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company.

(2) 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.

(3) 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.

Insurance

53.—(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.

(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.

Schedule 2

THE FOUNDERS AND CO-FOUNDERS

Founders:

Seth Ward
Rupert Barksfield
Mark Douglas Little

Co-Founders:

Jason Allan Scott
Philip Robert Fletcher
We Heart Digital Ltd.
Michael David Andrews
Isaac Hopkins
Maria Eugenia Heyeca
Fatih Yurtsever
Simon Little
Adam Wurf
Kate Rhodes
Angus Maidment
Luis Ricardo Jauregui
Louis Stephane