

**THE COMPANIES ACT 2006  
COMPANY LIMITED BY SHARES**

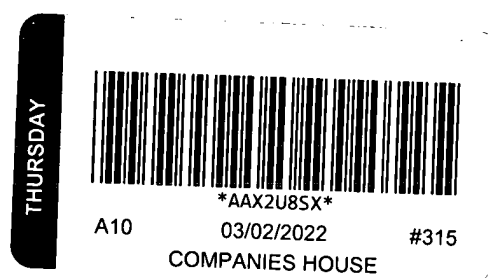
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**ARTICLES OF ASSOCIATION  
OF  
LUMENATE GROWTH LTD**

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**APPROVED BY SPECIAL RESOLUTION  
ON 14 January 2022 2024**

**ashfords**



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Company number: 12254320

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY SHARES**  
**NEW**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**LUMENATE GROWTH LTD**

(adopted by a special resolution passed on 14 January 2022 2024)

**1. Introduction**

- 1.1. The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the '**Model Articles**') shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2. In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3. In these Articles:
  - 1.3.1. article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
  - 1.3.2. words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
  - 1.3.3. Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
  - 1.3.4. 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
  - 1.3.5. 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.
- 1.4. Where there is reference to Seed Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as-converted basis if the Conversion Ratio has been adjusted.

**2. Definitions**

In these Articles the following words and expressions shall have the following meanings:

<b>Act</b>	means the Companies Act 2006 (as amended from time to time);
<b>Acting in Concert</b>	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);
<b>Actions</b>	shall have the meaning given in <b>Article 6.3</b> ;

<b>Arrears</b>	means, in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not 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, together with all interest and other amounts payable on that Share;
<b>Asset Sale</b>	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);
<b>Associate</b>	<p>in relation to any person means:</p> <ul style="list-style-type: none"><li>(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);</li><li>(b) any Member of the same Group; and</li><li>(c) any Member of the same Fund Group;</li></ul>
<b>Auditors</b>	means the auditors of the Company from time to time;
<b>Available Profits</b>	means profits available for distribution within the meaning of part 23 of the Act;
<b>Bad Leaver</b>	means a person who ceases to be an employee of or a consultant to a Group Company where such cessation is due to his lawful dismissal by the Company from his service contract, employment contract or consultancy agreement (as the case may be) without notice or payment in lieu of notice, for Cause other than where he is found by an employment tribunal to have been unfairly or constructively dismissed;
<b>Board</b>	means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;
<b>Bicycle Day Ventures</b>	means LU Fund I, a series of Bicycle Day Ventures, LP;
<b>Bonus Issue or Reorganisation</b>	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Seed Shareholders) or any consolidation or subdivision or any repurchase or redemption of shares (other than Seed Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in <b>Article 12.7</b> ;
<b>Business Day</b>	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
<b>Cause</b>	means any of the following circumstances:

	<p>(a) the lawful termination of their contract of employment without notice or payment in lieu of notice as a consequence of their gross misconduct (as determined by the Directors acting reasonably);</p> <p>(b) fraud against the Company (as determined by the Directors acting reasonably); and/or</p> <p>(c) being convicted of a criminal offence (other than a road traffic offence not punishable by way of custodial sentence) that has had or is likely to have a material adverse effect on the reputation of the Company (as determined by the Directors acting reasonably);</p>
<b>Civil Partner</b>	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
<b>Company</b>	means Lumenate Growth Ltd;
<b>Conditions</b>	has the meaning given in <b>Article 9.1</b> ;
<b>Controlling Interest</b>	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;
<b>Conversion Date</b>	has the meanings given in <b>Article 9.1</b> and <b>Article 9.2</b> (as applicable);
<b>Conversion Ratio</b>	has the meaning given in <b>Article 9.4</b> ;
<b>CTA 2010</b>	means the Corporation Tax Act 2010;
<b>Date of Adoption</b>	means 30 July 2021;
<b>Deferred Conversion Date</b>	means the date on which the Employee Shares convert into Deferred Shares pursuant to <b>Article 18.1</b> ;
<b>Deferred Shares</b>	means the deferred shares of £0.0001 each in the capital of the Company from time to time;
<b>Director(s)</b>	means a director or directors of the Company from time to time;
<b>Effective Termination Date</b>	means the date on which the Employee's employment or consultancy terminates;
<b>electronic address</b>	has the same meaning as in section 333 of the Act;
<b>electronic form and electronic means</b>	have the same meaning as in section 1168 of the Act;
<b>Eligible Director</b>	means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
<b>Employee</b>	means an individual employed by or who provides consultancy services to the Company or any member of the Group;
<b>Employee Shares</b>	<p>in relation to an Employee means all Ordinary Shares held by:</p> <p>(a) the Employee in question; and</p> <p>(b) any Permitted Transferee of that Employee other than those Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the</p>

Employee,

<b>Employee Shareholder</b>	means any holder of Employee Shares;
<b>Encumbrance</b>	shall have the meaning given in the Subscription and Shareholders' Agreement;
<b>Equity Securities</b>	has the meaning given in section 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;
<b>Equity Shares</b>	means the Ordinary Shares and the Seed Shares from time to time;
<b>Exit</b>	means a Share Sale, an Asset Sale or an IPO;
<b>Expert Valuer</b>	is as determined in accordance with <b>Article 16.2</b> ;
<b>Fair Value</b>	is as determined in accordance with <b>Article 16</b> ;
<b>Family Trusts</b>	means, as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
<b>Financial Year</b>	has the meaning set out in section 390 of the Act;
<b>Founders</b>	means Thomas Galea and Jay Conlon (each a Founder);
<b>Founder Director</b>	means the Director(s) of the Company nominated by a Founder under Article 27.3 and or Article 27.4;
<b>Fractional Holders</b>	has the meaning given in <b>Article 9.8</b> ;
<b>Fund Manager</b>	means a person whose principal business is to make, manage or advise upon investments in securities;
<b>Good Leaver</b>	means 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 (acting with Investor Majority Consent) determines that a person is not a Bad Leaver;
<b>Group</b>	means the Company and its Subsidiary Undertaking(s) (if any) from time to time and ' <b>Group Company</b> ' shall be construed accordingly;
<b>hard-copy form</b>	has the same meaning as in section 1168 of the Act;
<b>Holding Company</b>	means a newly formed holding company, pursuant to which the

	membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;
<b>Institutional Investor</b>	means a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing;
<b>Investor Director</b>	means the Director (s) of the Company nominated by the Investor under <b>Article 27.1</b> and/or Article 27.2;
<b>Investor Majority</b>	has the meaning given in the Subscription and Shareholders' Agreement;
<b>Investor Majority Consent</b>	means the prior written consent of the Investor Majority;
<b>Investors</b>	has the meaning given in the Subscription and Shareholders' Agreement;
<b>IPO</b>	means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);
<b>ITEPA</b>	means the Income Tax (Earnings and Pensions) Act 2003;
<b>Leaver's Percentage</b>	means, in relation to and for the purposes of determining the number of Vesting Shares that are required (pursuant to <b>Article 18</b> ) to be converted into Deferred Shares as a result of a Founder ceasing to be an Employee (by way of resignation) within the period commencing on the Date of Adoption and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:  $100 - (1/36 \times NM \times 100)$ <p>where <i>NM</i> = the number of full calendar months from the Date of Adoption to the Effective Termination Date, so that the Leaver's Percentage shall be zero on the first day of the 37th month after the Date of Adoption and thereafter;</p>
<b>a Member of the same Fund Group</b>	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;
<b>a Member of the same Group</b>	means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;
<b>NASDAQ</b>	means the NASDAQ Stock Market of the NASDAQ OMX Group Inc.;
<b>New Parent Company</b>	has the meaning set out in the definition of <b>Share Exchange</b> in this <b>Article 2</b> ;
<b>New Securities</b>	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in <b>Article 12.7</b> );
<b>Offer by Way of Rights</b>	has the meaning set out in <b>Article 9.10</b> ;
<b>Offer Period</b>	has the meaning set out in <b>Article 15.6.1</b> ;
<b>Ordinary Shareholders</b>	means the holders from time to time of the Ordinary Shares (but excludes the Company holding Treasury Shares);
<b>Ordinary Shares</b>	means the ordinary shares of £0.0001 each in the capital of the Company from time to time;
<b>Original Shareholder</b>	has the meaning set out in <b>Article 14.1</b> ;
<b>Other Investors</b>	has the meaning given in the Subscription and Shareholders' Agreement;
<b>Permitted Transfer</b>	means a transfer of Shares in accordance with <b>Article 14</b> ;
<b>Permitted Transferee</b>	means: <ul style="list-style-type: none"> <li>(a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;</li> <li>(b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the same Group;</li> <li>(c) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group; and</li> <li>(d) in relation to an Institutional Investor:             <ul style="list-style-type: none"> <li>(i) any Member of the same Group;</li> <li>(ii) any member of the same Fund Group;</li> </ul> </li> </ul>

	(iii) any other Investor;
	(iv) any Financial Institution or Institutional Investor; or
	(v) any nominee of that Investor;
<b>Preference Amount</b>	a price per share equal to the amount paid up or credited as paid up (including premium) for such share together with a sum equal to any Arrears;
<b>Privileged Relation</b>	in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);
<b>Proceeds of Sale</b>	means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale as approved by an Investor Majority;
<b>Proposed Exit</b>	has the meaning given in <b>Article 6.3</b> ;
<b>Proposed Purchaser</b>	means a proposed purchaser who at the relevant time has made an offer on arm's length terms;
<b>Qualifying Company</b>	means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);
<b>Relevant Interest</b>	has the meaning set out in <b>Article 30.6</b> ;
<b>Relevant Period</b>	means 36 months from the Date of Adoption;
<b>Sale Shares</b>	has the meaning set out in <b>Article 15.2.1</b> ;
<b>Seller</b>	has the meaning set out in <b>Article 15.2</b> ;
<b>Seed Shareholders</b>	means the holders of the Seed Shares (but excludes the Company holding Treasury Shares);
<b>Seed Shares</b>	means the Seed Shares of £0.0001 each in the capital of the Company from time to time;
<b>Share Exchange</b>	means the exchange by the Shareholders of all of the shares in the capital of the Company for shares in the capital of a newly formed company (the ' <b>New Parent Company</b> ') that will be the sole owner of the Company, in such a way that, immediately after the Share Exchange, each Shareholder will have the same pro rata shareholding, number and class of shares in the New Parent Company as he did before the Share Exchange in the Company;
<b>Shareholder</b>	means any holder of any Shares (but excludes the Company holding Treasury Shares);
<b>Share Option Plan(s)</b>	means the share option plan(s) of the Company, the terms of which have been approved by an Investor Majority;
<b>Shares</b>	means the Ordinary Shares, the Deferred Shares and the Seed Shares

from time to time;

**Share Sale**

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

**Subscription and Shareholders' Agreement**

means the subscription and shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company and the Investors;

**Subsidiary, Subsidiary Undertaking and Parent Undertaking**

have the respective meanings set out in sections 1159 and 1162 of the Act;

**Transfer Notice**

shall have the meaning given in **Article 15.2**;

**Transfer Price**

shall have the meaning given in **Article 15.2.3**;

**Trustees**

in relation to a Shareholder means the trustee or the trustees of a Family Trust;

**Unvested**

means those Vesting Shares which may be required to be converted into Deferred Shares under **Article 18**; and

**Vesting Shares**

in relation to an Founder means 75% of all Shares held by:

- (a) the Founder in question (other than Shares that Founder holds as result of exercising option(s) under any Share Option Plan); and
- (b) any Permitted Transferee of that Founder other than those Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of that person's relationship with the Founder.

### 3. Share Capital

- 3.1. 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.
- 3.2. Except as otherwise provided in these Articles, the Seed Shares and the Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3. 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.
- 3.4. Subject to Investor Majority Consent and the Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.

- 3.5. 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'.
- 3.6. For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
  - 3.6.1. receive notice of or attend or vote at any general meeting of the Company;
  - 3.6.2. receive or vote on any proposed written resolution; or
  - 3.6.3. receive a dividend or other distribution,save as otherwise permitted by section 726(4) of the Act.
- 3.7. The Company shall be entitled to retain any share certificate(s) relating to Employee Shares while any such Shares remain Unvested.

#### **4. Dividends**

- 4.1. In respect of any Financial Year, the Company's Available Profits will be applied as set out in this **Article 4**.
- 4.2. Any Available Profits which the Company may determine 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 shares) pro rata to their respective holdings of Shares.
- 4.3. Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4. Every dividend shall accrue on a daily basis assuming a 365-day year. All dividends are expressed net and shall be paid in cash.
- 4.5. Article 31(1) of the Model Articles shall be amended by:
  - 4.5.1. 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
  - 4.5.2. 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'.

#### **5. Liquidation preference**

- 5.1. On a distribution of assets or a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares), the surplus assets of the Company remaining after payment of its liabilities (the '**Surplus Assets**') shall be applied (to the extent that the Company is lawfully permitted to do so):
  - 5.1.1. first, in paying to each of the Seed Shareholders, in priority to any other classes of Shares, an amount per Seed Share held equal to the higher of (i) the Preference Amount (provided that, if there are insufficient Surplus Assets to pay the amounts per share equal to the Preference Amount, the Surplus Assets shall be distributed to the Seed Shareholders pro rata to the amounts paid up on the Seed Shares) and (ii) the amount per Share that would be received if the Surplus Assets were distributed among the holders of Equity Shares pro rata (as if the Equity Shares constituted one and the same class) to the number of Equity Shares held;

- 5.1.2. second, in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- 5.1.3. third, in distributing the balance of the Surplus Assets (if any) among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

## 6. Exit provisions

- 6.1. On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in **Article 5** and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
  - 6.1.1. the Directors shall not be prohibited from registering the transfer of the relevant Shares, so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in **Article 5**; and
  - 6.1.2. the Shareholders shall take any action required by an Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in **Article 5**.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in **Article 5**.

- 6.2. On an Asset Sale, the Surplus Assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in **Article 5**, provided always that if it is not lawful for the Company to distribute its Surplus Assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Board (including, but without prejudice to the generality of this **Article 6.2**, actions that may be necessary to put the Company into voluntary liquidation) so that **Article 5** applies.
- 6.3. In the event of an Exit approved by the Selling Shareholders (as defined in **Article 21.1**) in accordance with the terms of these Articles (the '**Proposed Exit**'), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ('**Actions**'). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking such Actions as are necessary to effect the Proposed Exit, the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents, and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

## 7. Votes in general meeting and written resolutions

- 7.1. The Seed Shares shall confer on each holder of Seed Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

- 7.2. The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.3. The Deferred Shares (if any) shall not entitle the holders of them to receive notice of or to attend, speak or vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 7.4. 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.
- 7.5. No voting rights attached to a share which is nil paid or partly paid may be exercised:
  - 7.5.1. at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
  - 7.5.2. on any proposed written resolution,
 unless all of the amounts payable to the Company in respect of that share have been paid.

## 8. Consolidation of Shares

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

## 9. Conversion of Seed Shares

- 9.1. Any holder of Seed Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the Seed Shares held by them at any time, and those Seed Shares shall convert automatically on the date of such notice (the '**Conversion Date**'), provided that the holder may, in such notice, state that conversion of its Seed Shares into Ordinary Shares is conditional upon the occurrence of one or more events (the '**Conditions**').
- 9.2. All of the Seed Shares shall automatically convert into Ordinary Shares on the date of a notice given by the Investor Majority (which date shall be treated as the Conversion Date).
- 9.3. In the case of **Articles 9.1** and ~~9.2~~, not more than five Business Days after the Conversion Date, each holder of the relevant Seed Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Seed Shares being converted to the Company at its registered office for the time being.

- 9.4. On the Conversion Date, the relevant Seed Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Seed Share held (the '**Conversion Ratio**'), and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 9.5. The Company shall on the Conversion Date enter the holder of the converted Seed Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivering his certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Seed Shares in accordance with this Article, the Company shall within ten Business Days of the Conversion Date forward to such holder of Seed Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of Ordinary Shares.
- 9.6. On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to the holders of the Seed Shares falling to be converted a dividend equal to all Arrears and accruals of dividends in relation to those Seed Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such Arrears and accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any Arrears and accruals of dividends that remain outstanding shall continue to be a debt due from and immediately payable by the Company.
- 9.7. The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
- 9.7.1. if Seed Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or subdivision of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount which in the opinion of the Board is fair and reasonable to maintain the right to convert so as to ensure that each Seed Shareholder is in no better or worse position as a result of such consolidation or subdivision, such adjustment to become effective immediately after such consolidation or subdivision; and
- 9.7.2. if Seed Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount which in the opinion of the Board is fair and reasonable to maintain the right to convert so as to ensure that each Seed Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.
- 9.8. If any Seed Shareholder becomes entitled to fractions of an Ordinary Share as a result of conversion ('**Fractional Holders**'), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

- 9.9. If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with **Article 9.7**, or if so requested by an Investor Majority, the Board shall refer the matter for determination to the Auditors, who shall make available to all Shareholders their report, whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned, and whose costs shall be met by the Company.
- 9.10. If Seed Shares remain capable of being converted into new Ordinary Shares and Ordinary Shares are offered by the Company by way of rights to holders of Ordinary Shares (an '**Offer by Way of Rights**'), the Company shall, on the making of each such offer, make a like offer to each Seed Shareholder as if, immediately before the record date for the Offer by Way of Rights, his Seed Shares had been converted into fully-paid Ordinary Shares at the then-applicable Conversion Ratio.

## **10. Deferred Shares**

- 10.1. Subject to the Act, any Deferred Shares may be purchased 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).
- 10.2. The allotment or issue of Deferred Shares or the conversion or redesignation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or redesignation, without obtaining the sanction of such holder(s), to:
- 10.2.1. 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 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
  - 10.2.2. 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
  - 10.2.3. give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
  - 10.2.4. retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.
- 10.3. No Deferred Share may be transferred without the prior consent of the Board.

## **11. Variation of rights**

- 11.1. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class.
- 11.2. 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.

## **12. Allotment of new Shares or other securities: pre-emption**

- 12.1. Subject to the remaining provisions of this **Article 12**, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:



12.1.1. allot Shares; or

12.1.2. grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

12.1.3. this authority shall be limited to a maximum nominal amount of £5.31 being 25,416 Seed Shares and 27,660 Ordinary Shares;

12.1.4. this authority shall only apply insofar as the Company has not by resolution waived or revoked it;

12.1.5. this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

This authority is in substitution to all subsisting authorities to the extent unused.

12.2. Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.

12.3. 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 Equity Shares (the '**Subscribers**') on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares (as if the Equity Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:

12.3.1. shall be in writing, be open for acceptance from the date of the offer to the date ten Business Days after the date of the offer (inclusive) (the '**Subscription Period**') and give details of the number and subscription price of the New Securities; and

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

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

12.5. If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities 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 Subscribers.

12.6. Subject to the requirements of **Articles 12.3 to 12.5** (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant

options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by an Investor Majority.

12.7. The provisions of **Articles 12.3 to 12.5** (inclusive) shall not apply to:

- 12.7.1. options to subscribe for Ordinary Shares under the Share Option Plan(s);
- 12.7.2. New Securities issued or granted in order for the Company to comply with its obligations under these Articles;
- 12.7.3. New Securities which the Investor Majority have agreed in writing should be issued without complying with the procedure set out in this Article 12 (with a special resolution approving the same);
- 12.7.4. New Securities issued as a result of a bonus issue of shares which has been approved in writing by an Investor Majority and a special resolution; and
- 12.7.5. Shares or options for Shares issued or granted to the Investors in accordance with the terms of the Subscription and Shareholders' Agreement.

12.8. No Shares shall be allotted (nor any Treasury Shares be transferred) 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 a joint section 431 ITEPA election with the Company if so required by the Company.

### **13. Transfers of Shares – general**

13.1. In **Articles 13 to 21** inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.

13.2. No Share may be transferred unless the transfer is made in accordance with these Articles.

13.3. If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.

13.4. Any transfer of a Share by way of sale which is required to be made under **Articles 15 to 21** (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

13.5. The Directors may refuse to register a transfer if:

- 13.5.1. it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
- 13.5.2. the transfer is to an Employee, Director or prospective Employee or prospective director of the Company who, in the opinion of the Board, is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
- 13.5.3. it is a transfer of a Share which is not fully paid:
  - 13.5.3.1. to a person of whom the Directors do not approve; or
  - 13.5.3.2. on which Share the Company has a lien;
- 13.5.4. the transfer is not lodged at the registered office or at such other place as the Directors may appoint;

- 13.5.5. the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 13.5.6. the transfer is in respect of more than one class of Shares;
- 13.5.7. the transfer is in favour of more than four transferees; or
- 13.5.8. these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, 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.

- 13.6. The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this **Article 13.6** the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 13.7. To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or of any interest in shares in the capital of the Company) in breach of these Articles, the Directors may require any holder or the legal personal representatives of any deceased holder, or any person named as transferee in any transfer lodged for registration, or any other person whom the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
  - 13.7.1. the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the 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), provided that, at the election of the relevant Investor, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor;
  - 13.7.2. the Company shall withhold payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
  - 13.7.3. the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in **Article 13.7.1** and **13.7.2** above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in **Article 13.7.3** above.

- 13.8. 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 of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.
- 13.9. 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:
  - 13.9.1. the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
  - 13.9.2. it does not include a Minimum Transfer Condition (as defined in **Article 15.2.4**); and
  - 13.9.3. the Seller wishes to transfer all of the Shares held by it.
- 13.10. 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:
  - 13.10.1. the transferor; and
  - 13.10.2. (if any of the shares is partly or nil paid) the transferee.

#### **14. Permitted Transfers**

- 14.1. A Shareholder (who is not a Permitted Transferee) (the '**Original Shareholder**') may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 14.2. Shares previously transferred as permitted by **Article 14.1** may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 14.3. Where, under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 14.4. If a Permitted Transferee which was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must, not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 14.5. Trustees may transfer Shares:
  - 14.5.1. to a Qualifying Company;

- 14.5.2. to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or
- 14.5.3. to the new or remaining trustees upon a change of Trustees,  
in each case without restriction as to price or otherwise.
- 14.6. No transfer of Shares may be made to Trustees unless the Board is satisfied:
  - 14.6.1. with the terms of the trust instrument and in particular with the powers of the trustees;
  - 14.6.2. with the identity of the proposed trustees;
  - 14.6.3. 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 trustees of that and any other trusts;  
and
  - 14.6.4. that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 14.7. If a Permitted Transferee which is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must, within five Business Days 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 it will be deemed, unless it obtains the approval of the Board, to have given a Transfer Notice in respect of such Shares.
- 14.8. If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder, whether by reason of divorce or otherwise, he must, within 15 Business Days of so ceasing either:
  - 14.8.1. execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
  - 14.8.2. give a Transfer Notice to the Company in accordance with **Article 15.2**,  
failing which he shall be deemed to have given a Transfer Notice.
- 14.9. On the death (subject to **Article 14.3**), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder), his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver, must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver (as the case may be) execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee, without restriction as to price or otherwise. The transfer shall be to the Original Shareholder, if still living (and not bankrupt or in liquidation), or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 14.10. A transfer of any Shares approved by the Board and the Investor Majority may be made without restriction as to price or otherwise and with any such conditions as may be imposed, and each such transfer shall be registered by the Directors.

14.11. Any Shares may be transferred at any time where there is a sale of the entire issued share capital of the Company to a Holding Company which has been approved by a majority of the Board.

14.12. The Company shall be permitted to sell or transfer any Shares held as Treasury Shares.

14.13. For the avoidance of doubt, JamJar Investments Nominee Limited ("**JNL**"), may transfer all or any of its shares in the capital of the Company to a replacement nominee which is a Member of the same Fund Group (such replacement being a "**JamJar Nominee**") and further: (i) such JamJar Nominee may transfer all or any its shares in the capital of the Company to a replacement nominee which is a Member of the same Fund Group as the original JamJar Nominee; and (ii) subject always to JNL's prior approval, any person holding the beneficial interest in any shares in the capital of the Company, the legal interest in which is held by JNL (or another JamJar Nominee), may transfer all or any such beneficial interest to any person (including without limitation a SIPP (or any other form of pension which may replace SIPPs from time to time)) on whose behalf JNL or another JamJar Nominee holds (or will hold) the legal interest only, in any such shares.

**15. Transfers of Shares subject to pre-emption rights**

15.1. Save where the provisions of **Articles 14, 19, 20 and 21** apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this **Article 15**.

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

15.2.1. the number of Shares which he wishes to transfer (the '**Sale Shares**');

15.2.2. if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

15.2.3. the price at which he wishes to transfer the Sale Shares; and

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

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the '**Transfer Price**') must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within five Business Days of the Company receiving the Transfer Notice.

15.3. Except with Board consent or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

15.4. A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

15.5. As soon as practicable following the later of:

15.5.1. receipt of a Transfer Notice; and,

15.5.2. in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under **Article 16**,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in **Article 15.6**. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

**15.6. Transfers: Offer**

- 15.6.1. The Board shall offer the Sale Shares to all shareholders other than the Seller (the '**Continuing Shareholders**') inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (inclusive) (the '**Offer Period**') for the maximum number of Sale Shares they wish to buy.
- 15.6.2. If the Sale Shares are Ordinary Shares, the Board, when making the offer under **Article 15.6.1** to Seed Shareholders, shall also invite such Seed Shareholders, if they are not willing to purchase any Sale Shares, to indicate whether they wish to sell shares under the terms of **Article 20**.
- 15.6.3. If the Sale Shares are subject to a Minimum Transfer Condition, then any allocation made under **Article 15.6** will be conditional on the fulfilment of the Minimum Transfer Condition.
- 15.6.4. If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Equity Shares bears to the total number of Equity Shares held by those Continuing Shareholders who have applied for Sale Shares, which procedure shall be repeated until all Sale Shares have been allocated, but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
- 15.6.5. If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with **Article 15.7.5**.

**15.7. Completion of transfer of Sale Shares**

- 15.7.1. If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under **Article 15.6** stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 15.7.2. If:
  - 15.7.2.1. the Transfer Notice does not include a Minimum Transfer Condition; or
  - 15.7.2.2. the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 15.6, and once the requirements of **Article 19** and/or **Article 20** have been fulfilled to the extent required, give written notice of allocation (an 'Allocation Notice') to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (an 'Applicant')

specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than five Business Days nor more than ten Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

15.7.3. Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

15.7.4. If the Seller fails to comply with the provisions of **Article 15.7.3**:

15.7.4.1. 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:

15.7.4.1.1. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

15.7.4.1.2. receive the Transfer Price and give a good discharge for it; and

15.7.4.1.3. (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

15.7.4.2. the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

15.7.5. If an Allocation Notice does not relate to all the Sale Shares then, subject to **Article 15.7.6**, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

15.7.6. The right of the Seller to transfer Shares under **Article 15.7.5** does not apply if the Board is of the opinion on reasonable grounds that:

15.7.6.1. the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;

15.7.6.2. the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

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

## **16. Valuation of Shares**

16.1. If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of **Articles 13.9, 15.2** or otherwise then, on the date of failing agreement, the Board shall either:



- 16.1.1. appoint an expert valuer in accordance with **Article 16.2** (the '**Expert Valuer**') to certify the Fair Value of the Sale Shares; or
  - 16.1.2. (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.
- 16.2. The Expert Valuer will be either:
- 16.2.1. the Auditors; or
  - 16.2.2. (if otherwise agreed by the Board and the Seller) an independent firm of chartered accountants to be agreed between the Board and the Seller or failing agreement not later than the date ten Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 16.3. The '**Fair Value**' of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 16.3.1. by valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
  - 16.3.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 16.3.3. on the assumption that the Sale Shares are capable of being transferred without restriction;
  - 16.3.4. by 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
  - 16.3.5. reflecting any other factors which the Expert Valuer reasonably believes should be taken into account.
- 16.4. 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.
- 16.5. The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 16.6. The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 16.7. The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to their agreeing to such confidentiality provisions as the Board may reasonably impose.
- 16.8. The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the 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 five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

16.9. The cost of obtaining the certificate shall be paid by the Company, unless:

16.9.1. the Seller cancels the Company's authority to sell; or

16.9.2. the sale price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

#### **17. Compulsory transfers – general**

17.1. A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

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

17.2.1. to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or

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

If either requirement in this **Article 17.2** shall not be fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

17.3. If a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (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 save to the extent that, and at a time, the Directors may determine.

17.4. If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names, save that, in the case of a 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.

#### **18. Departing Employees**

18.1. Unless the Board and the Investor Majority determine that this **Article 18.1** shall not apply, and subject to **Article 18.4**, if at any time during the Relevant Period a Founder ceases to be an Employee and is a Good Leaver, as a consequence of such Founder's resignation (other than in circumstances which constitute a constructive, wrongful and/or unfair dismissal), the Leaver's Percentage of all the Vesting Shares relating to such Founder shall be automatically converted into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date.

18.2. Subject to **Article 18.4**, if at any time during the Relevant Period a Founder and/or Employee Shareholder ceases to be an Employee and is a Bad Leaver then (subject to the consent of the

Board approving the same) all the Employee Shares relating to such Founder and/or Employee Shareholder shall be automatically converted into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date.

- 18.3. 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 Founder and/or Employee Shareholder (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 Ordinary Shares.
- 18.4. On an Exit, all Vesting Shares shall be deemed to be fully vested and shall not be subject to the provisions of this **Article 18**, provided always that any Shares previously converted to Deferred Shares pursuant to this **Article 18** shall remain as Deferred Shares subject to the provisions of these Articles setting out the rights attached to Deferred Shares.
- 18.5. All voting rights attached to Employee Shares held by (i) a Founder or by any Permitted Transferee of that Founder or by (ii) an Employee or by any Permitted Transferee of that Employee (in each case the '**Restricted Member**'), if any, shall at the time he ceases to be an Employee be suspended unless the Board and the Investor Majority notify him otherwise, and all voting rights attached to any Employee Shares acquired by a Restricted Member after ceasing to be an Employee shall be suspended, unless the Board and the Investor Majority notify him otherwise, with effect from the date on which such Shares were acquired.
- 18.6. Any Employee Shares whose voting rights are suspended pursuant to Article 18.5 ('**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 such holders shall have no right to vote in person or by proxy nor any right to vote on any proposed written resolution. Voting rights suspended pursuant to Article 18.5 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.

## **19. Tag along**

- 19.1. The provisions of **Article 19.2** shall apply if a Shareholder (a '**Proposed Seller**') proposes to transfer any Shares (a '**Proposed Transfer**') which would, if put into effect, result in any person (a '**Proposed Transferee**') acquiring a Controlling Interest in the Company.
- 19.2. A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Transferee of an offer to the other Shareholders to acquire all of their Shares for a consideration per share the value of which is at least equal to the consideration per share offered to the Proposed Seller.
- 19.3. The offer referred to in **Article 19.2** must be expressed to be capable of acceptance for a period of not less than 15 Business Days and, if it is accepted by any Shareholder (an '**Accepting Shareholder**') within that period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.

## 20. Co-sale right

20.1. If any Sale Shares which are Ordinary Shares held by a Founder ('**Ordinary Sale Shares**') are proposed to be sold under **Article 15.1** (whether to one or more other Shareholders (the '**Purchasing Shareholders**') pursuant to **Articles 15.2** to **15.7** or to a third-party purchaser (a '**Third-Party Purchaser**') pursuant to **Article 15.7.5**), in circumstances where any Seed Shareholder who is not a Purchasing Shareholder has indicated their desire to sell shares under **Article 15.6.2** (a '**Co-Selling Seed Shareholder**'), the following provisions shall apply to such sale and purchase (unless waived by the Board acting with Investor Majority Consent) :

- 20.1.1. if a sale to a Third-Party Purchaser is in prospect, the Board may require to be satisfied in such manner as it may reasonably decide that the Ordinary Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Third-Party Purchaser and, if not so satisfied, may refuse to register the instrument of transfer;
- 20.1.2. the Seller shall procure, before the transfer is made and lodged for registration, that the Purchasing Shareholder(s) or Third-Party Purchaser (as the case may be) has made an offer to each Co-Selling Seed Shareholder to purchase on the same terms and conditions (including as to price) as shall have been agreed between the Seller and the Purchasing Shareholders or Third-Party Purchaser (as the case may be) (the '**Agreed Terms**') such number of Seed Shares as is calculated in accordance with the following formula (rounding the product,  $N$ , down to the nearest whole share):

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

where:

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

$X$  = the total number of Seed Shares owned by the Co-Selling Seed Shareholder to whom the offer is made;

$Y$  = the aggregate of the total number of Seed Shares owned by each Co-Selling Seed Shareholder who wishes to sell Shares pursuant to this Article 16.1.2; and

$Z$  = the total number of Ordinary Shares owned by the Seller;

- 20.1.3. to the extent that one or more Co-Selling Seed Shareholders wish to sell to the Purchasing Shareholder(s) or Third-Party Purchaser (as the case may be) in accordance with the provisions of **Article 20.1.2**, the number of Ordinary Sale Shares that the Seller shall be entitled to sell to such Purchasing Shareholders or Third-Party Purchaser shall be correspondingly reduced; and
- 20.1.4. in the event of disagreement in relation to identification of the Agreed Terms (including disagreement as to the price paid or agreed to be paid for the relevant Shares), the identification of the Agreed Terms shall be referred to the Expert Valuer at the request of any of the parties concerned. The determination of the Expert Valuer shall be final and binding. Each of the parties concerned shall provide the Expert Valuer with whatever information the Expert Valuer may reasonably require for the purpose of their determination.

- 20.2. Sales made by a Co-Selling Seed Shareholder in accordance with this **Article 20** shall not be subject to **Article 15**.

## **21. Drag-Along**

- 21.1. If the holders of more than 75% per cent of the Equity Shares (with the prior written consent of a majority of the Board) (the '**Selling Shareholders**') wish to transfer all their interest in Shares (the '**Sellers' Shares**') to a Proposed Purchaser, the Selling Shareholders shall have the option (the '**Drag-Along Option**') to compel each other holder of Shares (each a '**Called Shareholder**') and together the '**Called Shareholders**') to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the '**Drag Purchaser**') in accordance with the provisions of this Article.

- 21.2. 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 before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag-Along Notice shall specify that:

- 21.2.1. the Called Shareholders are required to transfer all their Shares (the '**Called Shares**') under this Article;
- 21.2.2. the person to whom they are to be transferred;
- 21.2.3. the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article);
- 21.2.4. the proposed date of transfer, and
- 21.2.5. 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 (the '**Sale Agreement**'),

(and, in the case of **Articles 21.2.2 to 21.2.4** above, whether actually specified or to be determined in accordance with a mechanism described in the Drag-Along Notice). No Drag-Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

- 21.3. 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 60 Business Days after the date of service of the Drag-Along Notice. The Selling Shareholders shall be entitled to serve further Drag-Along Notices following the lapse of any particular Drag-Along Notice.
- 21.4. The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of **Articles 5 and 5.1.3** (the '**Drag Consideration**').
- 21.5. In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due.
- 21.6. Within three Business Days of the Company copying the Drag-Along Notice to the Called Shareholders (or such later date as may be specified in the Drag-Along Notice) (the '**Drag Completion Date**'), each Called Shareholder shall deliver:

- 21.6.1. duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
  - 21.6.2. the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
  - 21.6.3. a duly executed Sale Agreement, if applicable, in the form specified in the Drag-Along Notice or as otherwise specified by the Company,
- (together the '**Drag Documents**').
- 21.7. On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent that the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration on trust for each of the Called Shareholders without any obligation to pay interest.
- 21.8. To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred 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 Shares and the Called Shareholders shall have no further rights or obligations under this **Article 21** in respect of their Shares.
- 21.9. If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall 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 necessary to effect the transfer of the Called Shareholder's Shares pursuant to this **Article 21**, and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent that the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer, once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 21.10. Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag-Along Notice has been duly served shall not be subject to the provisions of **Article 15**.
- 21.11. On any person, following the issue of a Drag-Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a '**New Shareholder**'), a Drag-Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag-Along Notice. The New Shareholder shall then be bound to sell and transfer all the Shares so acquired to the Drag Purchaser, and the provisions of this Article shall apply (with necessary changes) to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag-Along Notice being deemed served on the New Shareholder.

### *Asset Sale*

- 21.12. In the event that an Asset Sale is approved by the Selling Shareholders, such Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require the other Shareholders to take any and all such actions as it may be necessary for them to take 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 5 and 5.1.3**.

### *Share Exchange*

- 21.13. In the event that a Share Exchange is approved by the Selling Shareholders, such Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require the other Shareholders to take any and all such actions as it may be necessary for them to take in order to give effect to or otherwise implement such Share Exchange.
- 21.14. If any Shareholder does not comply with the provisions of **Article 21.13**, the Company and each Director shall be constituted the agent of such defaulting Shareholder to take such actions as are necessary to effect the Share Exchange, and the Directors shall, if requested by the Selling Shareholders, authorise any Director to execute and deliver, on the Shareholder's behalf, any documents necessary to effect the Share Exchange.
- 21.15. Any person who becomes a Shareholder after completion of a Share Exchange shall be required to take any and all such actions as it may be necessary for them to take in order to exchange their Shares for shares in the New Parent Company, and the provisions of **Article 21.14** shall apply with necessary changes.

## **22. General meetings**

- 22.1. A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business.
- 22.2. All business shall be deemed special that is transacted at a general meeting, with the exception of declaring a dividend; consideration of the profit and loss account, balance sheet, and reports of the Directors and Auditors; the appointment and fixing of the remuneration of the Auditors; and the giving or renewal of any authority in accordance with section 551 of the Act.
- 22.3. Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to Shareholders in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company.
- 22.4. No business shall be transacted at any general meeting unless a quorum of Shareholders is present throughout the meeting. A quorum shall consist of two Shareholders present in person or by proxy or (in the case of a Shareholder being a corporation) by representative and must include one or more representative(s) of Shareholders constituting an Investor Majority, save that, if and for so long as the Company has only one person as a Shareholder, one Shareholder present in person or by proxy shall be a quorum.
- 22.5. Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy or (being a corporate body) is present by a representative or proxy shall have one vote and, on a poll, each Shareholder shall have one vote for each Share (save for Deferred Shares) of which he is the holder.

- 22.6. 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.
- 22.7. 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.
- 22.8. 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.
- 22.9. 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 working day.

### **23. Proxies**

- 23.1. Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: 'is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)'.
- 23.2. The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- 23.2.1. be sent or supplied in hard-copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
  - 23.2.2. be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
  - 23.2.3. in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

### **24. Directors' borrowing powers**

The Directors may, exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures,



debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

## **25. Alternate Directors**

25.1. Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the '**Appointor**') may appoint any director or any other person as he thinks fit to be his alternate Director to:

25.1.1. exercise that Director's powers; and

25.1.2. carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

25.2. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

25.3. The notice must:

25.3.1. identify the proposed alternate; and

25.3.2. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

25.4. An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

25.5. Except as these Articles specify otherwise, alternate directors:

25.5.1. are deemed for all purposes to be Directors;

25.5.2. are liable for their own acts and omissions;

25.5.3. are subject to the same restrictions as their Appointors; and

25.5.4. are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.

25.6. A person who is an alternate Director but not a Director:

25.6.1. may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and

25.6.2. may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).

No alternate may be counted as more than one Director for such purposes.

25.7. A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

25.8. An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

25.9. An alternate Director's appointment as an alternate shall terminate:

25.9.1. when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

25.9.2. on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

25.9.3. on the death of the alternate's Appointor; or

25.9.4. when the alternate's Appointor's appointment as a Director terminates.

## **26. Number of Directors**

The number of Directors of the Company shall not be less than two nor more than five.

## **27. Appointment of Directors**

27.1. For so long as Bicycle Day Ventures and its Permitted Transferees hold 3% of the issued Equity Shares, it shall have the right to appoint and maintain in office such natural person as it may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) (the '**Investor Director**') and to remove any director so appointed and, upon his removal whether by Bicycle Day Ventures or otherwise, to appoint another director in his place.

27.2. For so long as the Other Investors and their respective Permitted Transferees together hold 3% Equity Shares, the Other Investors (acting by a majority of Equity Shares held by the Other Investors) shall have the right to appoint and maintain in office such natural person as the Other Investors may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Other Investors or otherwise, to appoint another director in his place.

27.3. For so long as Thomas Galea holds 3% of the issued Equity Shares, that Founder shall have the right to:

27.3.1. act, or (if not so employed) have a nominee of his choice, appointed to act as, a director of the Company (and as a member of each and any committee of the Board); and

27.3.2. to remove any director so appointed and, upon his removal, to appoint another director in his place,

(a "**Founder Director**").

27.4. For so long as Jay Conlon holds 3% of the issued Equity Shares, that Founder shall have the right to:

27.4.1. act, or (if not so employed) have a nominee of his choice, appointed to act as, a director of the Company (and as a member of each and any committee of the Board); and

27.4.2. to remove any director so appointed and, upon his removal, to appoint another director in his place,

(also a "**Founder Director**").

- 27.5. The Founders who individually hold at least 3% of the issued Equity Shares (acting together, if there is more than one such Founder) shall have the right to appoint one further person to act as a director of the Company (and as a member of each and any committee of the Board), subject to Investor Majority Consent (such consent not to be unreasonably withheld), and to remove any director so appointed and, upon his removal whether by the Founders or otherwise, to appoint another director in his place, subject to Investor Majority Consent (such consent not to be unreasonably withheld) (the "**Independent Director**").
- 27.6. An appointment or removal of a Director under **Articles 27.1 to 27.5** will take effect at and from the time when notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 27.7. Each Director appointed pursuant to **Articles 27.1 to 27.5** shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.

## **28. Disqualification of Directors**

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

- 28.1. he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 28.2. in the case of an Investor Director or a Founder Director if, due to a change in the percentage of the issued Equity Shares held by them, the person who appointed that Director no longer has the right to make any such appointment; or
- 28.3. in the case of Directors other than an Investor Director or a Founder Director, if a majority of his co-Directors serve notice on him in writing, removing him from office.

## **29. Proceedings of Directors**

- 29.1. The quorum for Directors' meetings shall be two Directors who must include at least one Investor Director and one Founder Director (save that where a Relevant Interest of an Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 29.2. In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 29.3. If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participants 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.

- 29.4. 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 at any time before or 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.
- 29.5. Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (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 Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 29.6. Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 29.7. A decision of the Directors 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.
- 29.8. 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.

### **30. Directors' interests**

#### *Specific interests of a Director*

- 30.1. Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
  - 30.1.1. where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
  - 30.1.2. where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
  - 30.1.3. where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
  - 30.1.4. where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

- 30.1.5. where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
  - 30.1.6. where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
  - 30.1.7. an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - 30.1.8. any other interest authorised by ordinary resolution.
- 30.2. In relation to any vote by the Board on the approval or termination of the service agreement of any Director (other than the Investor Director), such vote shall be effective only if the quorum at the meeting at which such vote is taken is met without counting the Director in question (or his alternate as the case may be) and the vote is passed without the Director in question (or his alternate as the case may be) voting, or would have been passed if his vote had not been counted.

*Interests of an Investor Director*

- 30.3. In addition to the provisions of **Article 30.1**, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
- 30.3.1. an Investor;
  - 30.3.2. a Fund Manager which advises or manages an Investor;
  - 30.3.3. any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
  - 30.3.4. another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

*Interests of which a Director is not aware*

- 30.4. For the purposes of this **Article 30**, 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*

- 30.5. In any situation permitted by this **Article 30** (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

*Terms and conditions of Board authorisation*

30.6. Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (an '**Interested Director**') who has proposed that the Directors authorise his interest (a '**Relevant Interest**') pursuant to that section may, for the avoidance of doubt:

30.6.1. 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:

30.6.1.1. restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;

30.6.1.2. restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or

30.6.1.3. restricting the application of the provisions in **Articles 30.7** and **30.8**, so far as is permitted by law, in respect of such Interested Director; and

30.6.2. be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this **Article 30**.

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

30.7. Subject to **Article 30.8** (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this **Article 30**), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

30.7.1. to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

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

30.8. Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, **Article 30.7** shall apply only if the conflict arises out of a matter which falls within **Article 30.1** or **Article 30.3** or has been authorised under section 175(5)(a) of the Act.

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

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

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

*Requirement of a Director is to declare an interest*

30.10. Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by **Article 30.1** or **Article 30.3** at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- 30.10.1. falling under **Article 30.1.7**;
- 30.10.2. if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 30.10.3. if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

*Shareholder approval*

30.11. Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal not properly authorised by reason of a contravention of any provisions of this **Article 30**.

30.12. For the purposes of this **Article 30**:

- 30.12.1. a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 30.12.2. the provisions of section 252 of the Act shall determine whether a person is connected with a Director; and
- 30.12.3. a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

**31. Gratuities and pensions**

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

## **32. Notices**

32.1. Subject to the requirements set out in the 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 Act, may be given, sent or supplied:

32.1.1. in hard-copy form;

32.1.2. in electronic form; or

32.1.3. (by the Company) by means of a website (other than notices calling a meeting of Directors),

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 Act, except to the extent that a contrary provision is set out in this **Article 31**.

### *Notices in hard-copy form*

32.2. 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):

32.2.1. to the Company or any other company at its registered office; or

32.2.2. to the address notified to or by the Company for that purpose; or

32.2.3. in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

32.2.4. in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

32.2.5. to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

32.2.6. where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in **Articles 32.2.1 to 32.2.5** above, to the intended recipient's last address known to the Company.

32.3. 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:

32.3.1. if delivered, at the time of delivery;

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

### *Notices in electronic form*

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

32.4.1. if sent by fax or email (provided that a fax number or 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;

32.4.2. 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 32.2**; or



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

32.4.3.1. on its website from time to time; or

32.4.3.2. by notice (in hard copy or electronic form) to all members of the Company from time to time.

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

32.5.1. if sent by facsimile or email (where a fax number or 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;

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

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

32.5.4. if sent by any other electronic means as referred to in **Article 32.4.3**, at the time such delivery is deemed to occur under the Act.

32.6. 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*

32.7. Subject to the provisions of the 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.

*General*

32.8. 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.

32.9. 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 Act or otherwise).

**33. Indemnities and insurance**

33.1. Subject to the provisions of and so far as may be permitted by, the Act:

33.1.1. every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no current or former Director or current or former director of any associated company is indemnified by the Company against:

- 33.1.1.1. any liability incurred by the director to the Company or any associated company;
- 33.1.1.2. any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- 33.1.1.3. any liability incurred by the director:
  - 33.1.1.3.1. in defending any criminal proceedings in which he is convicted;
  - 33.1.1.3.2. in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
  - 33.1.1.3.3. in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in **Articles 33.1.1.1, 33.1.1.3.2 and 33.1.1.3.3** applying;

- 33.1.2. the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.
- 33.2. The Company shall (at the cost of the Company) effect and maintain for each current or former Director or current or former director of any associated company policies of insurance insuring each such director against risks in relation to his office as each director may reasonably specify, including without limitation any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

#### **34. Data protection**

Each of the Shareholders and Directors acknowledges that the Company, the Shareholders and Directors (each a '**Recipient**') will need to process their personal data 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 acknowledges that relevant personal data may be transferred to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area ('**EEA**') for the purposes stated above, where it is necessary or desirable to do so. Where it is necessary to transfer such personal data outside the EEA, the Recipient shall either seek consent to the transfer, or make the transfer subject to European Commission-approved contractual terms which impose data protection obligations equivalent to those provided by data protection legislation within the EEA, unless such transfers are permitted under applicable data protection law without such formalities.

### **35. Secretary**

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

### **36. Authority to capitalise and appropriation of capitalised sums**

36.1. The Board may, if authorised to do so by an ordinary resolution (with Investor Majority Consent):

- 36.1.1. 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
- 36.1.2. 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.

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

36.3. 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, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.

36.4. 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.

36.5. Subject to the Articles the Board may:

- 36.5.1. apply Capitalised Sums in accordance with **Articles 36.3** and **36.4** partly in one way and partly another;
- 36.5.2. make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this **Article 36**; and
- 36.5.3. authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this **Article 36**.

**37. Treasury Shares**

The Company shall be permitted to hold Shares or any units, stocks or securities representative of Shares as Treasury Shares.