

[EXECUTION COPY]

Company number 12577887

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

BEZERO CARBON LTD

(the "Company")

(Adopted by a special resolution passed on 27 October 2021)

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1. Introduction

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following articles.
- 1.2 In these articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof from time to time.
- 1.3 In these articles: article headings are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of the Investor Director under these articles, if at any time the Investor Director has not been appointed or the Investor Director declares in writing to the Company and the Lead Investor that he considers that providing such consent gives rise or may give rise to a conflict of interest to his duties as a Director, such action or matter shall require the consent of the Lead Investor.

2. Defined terms

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

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

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

"Anti-Dilution Shares" shall have the meaning given in article 9.1;

"Arrears" 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;

"Asset Sale" means the disposal by the Company, or the entering by the Company into an exclusive licence in respect, of all or substantially all of its undertaking and assets;

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

"Available Profits" means profits available for distribution within the meaning of part 23 of the Act;

"Bad Leaver" means a Founder who ceases to be an Employee at any time during the Relevant Period as a consequence of:

- (a) resigning as an Employee voluntarily and in circumstances which do not amount to constructive dismissal and/or constructive unfair dismissal; or
- (b) being dismissed by the Company for Cause;

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

"Bonus Issue" or "Reorganisation" means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than in respect of the grant of options under any Share Option Plan;

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

"Cause" means:

- (a) the lawful termination of their contract of employment or consultancy without notice of payment in lieu of notice as a consequence of their misconduct; and/or
- (b) their fair dismissal pursuant section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996;

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

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

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

"Deferred Shares" means deferred shares of £0.000001 each in the capital of the Company from time to time;

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

"Effective Termination Date" means the date on which the Founder ceases to be an Employee;

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

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

"Equity Shares" means the Seed Shares and the Ordinary Shares;

"Fair Value" is as determined in accordance with article 14.3;

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

"Founders" means Harry Thomas Ricketts and Sebastien Andrew Cross;

"Founder Shares" means all Ordinary Shares held by:

- (a) the Founder in question; and

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

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

"Good Leaver" means a person who ceases to be an Employee at any time during the Relevant Period and who is not a Bad Leaver or a Very Good Leaver and shall include, without limitation, when the Board (including the Investor Director(s)) determines that a person is not a Bad Leaver;

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

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

"Investor Director" means the director appointed by the Lead Investor;

"Investor Majority" means Investors holding a majority of the Seed Shares from time to time;

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

"Investors" means the holders of the Seed Shares and their Permitted Transferees;

"IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq Stock Market operated by the NASDAQ OMX Group or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"Lead Investor" means IFM Fintech Opportunities Nominee Limited together with its Permitted Transferees to whom it has transferred Shares in accordance with these articles;

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

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

(d) any trustee, nominee or custodian of such Investment Fund and vice versa;

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

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in article 10.4);

"Ordinary Shares" means the ordinary shares of £0.000001 each in the capital of the Company from time to time;

"Original Purchase Price" means a price per share equal to the amount subscribed or deemed to have been subscribed (including premium) for such share, together with a sum equal to any Arrears;

"Permitted Transfer" means a transfer of Shares in accordance with article 12;

"Permitted Transferee" means:

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

"Priority Rights" has the meaning given in article 13.3;

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

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

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

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

"Relevant Founder Shares" means in the case of each Founder, the number of Founder Shares equal to 70% of the Founder Shares held by them as at the Date of Adoption;

"Relevant Period" means 48 months from the Date of Adoption;

"Restricted Shares" means the Shares which voting rights shall be suspended in accordance with articles 16.3(a) and 16.3(b);

"Secondary Sale" means the transfer or transfers by Thomas Dafydd Powell of up to an aggregate 105,000 Seed Shares to be approved by the Board;

"Seed Shares" means the seed shares of £0.000001 each in the capital of the Company from time to time;

"Shareholder" means any holder of any Shares;

"Share Option Plan" means any share option plan of the Company, the terms of which have been approved by the Investor Majority;

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

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

"Starting Price" means the Original Purchase Price (if applicable, adjusted as referred to in article 9.3);

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

"Unvested Shares" means all of the Relevant Founder Shares held prior to the first anniversary of the Date of Adoption and thereafter until the end of the Relevant Period, such number of Founder Shares equal to all the Relevant Founder Shares multiplied by the following percentage (rounded up to two decimal places):

$$100 - (2.08333 \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date; and

"Very Good Leaver" means a Founder who ceases to be an Employee during the Relevant Period by reason of death, disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) where such ill health is preventing, or is likely to prevent, the Founder from performing his normal duties.

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

- 3.1 The quorum for Directors' meetings shall be two Directors who must include the Investor Director (save that where an interest of the Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Investor Director and any other interested Director shall not be included in the quorum required for the purpose of

such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). Article 11(2) of the Model Articles shall not apply to the Company.

- 3.2 In the case of any equality of votes, the chairman shall not have a second or casting vote. Article 13 of the Model Articles shall not apply to the Company.

4. Alternate Directors

- 4.1 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:

- (a) exercise that Director’s powers; and
- (b) carry out that Director’s responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate’s Appointor.

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

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

- 4.4 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

- 4.5 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.

- 4.6 Except as these Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) 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.

- 4.7 A person who is an alternate Director but not a Director:

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

- 4.8 No alternate may be counted as more than one Director for such purposes.
- 4.9 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).
- 4.10 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.
- 4.11 An alternate Director's appointment as an alternate shall terminate:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - (b) 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;
 - (c) on the death of the alternate's Appointor; or
 - (d) when the alternate's Appointor's appointment as a Director terminates.

5. Directors' interests

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

5.2 *Specific interests of a Director*

Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) is a Shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect

of the Company or body corporate in which the Company is in any way interested;

- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested; or
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this.

5.3 *Interests of an Investor Director*

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

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

6. **Liquidation preference**

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):

- (a) first in paying to each of the holders of the Seed Shares, in priority to any other classes of Shares, an amount per share held equal to the greater of (i) the Original Purchase Price; and (ii) the amount per share they would have received had their Seed Shares been converted into Ordinary Shares immediately prior to such distribution taking place (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Original Purchase Price, the remaining surplus assets shall be distributed to the holders of the Seed Shares pro rata to the amount they would have received had the Original Purchase Price been paid in full);
- (b) 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
- (c) the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

7. Exit provisions

- 7.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in article 6 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in article 6; and
 - (b) the Shareholders shall take any action required by the Investors to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in article 6.
- 7.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in article 6 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these articles, the Shareholders shall take any action required by an Investor Majority (including, but without prejudice to the generality of this article 7.2, actions that may be necessary to put the Company into voluntary liquidation so that article 6 applies).

8. Conversion of Seed Shares

- 8.1 (i) Any holder of Seed Shares or (ii) an Investor Majority, including the consent of the Lead Investor (for so long as the Lead Investor and its Permitted Transferees hold not less than 50% of the Seed Shares issued to them on or around the Date of Adoption), 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 (or in respect of (ii) all the Seed Shares in issue) and those Seed Shares shall convert automatically on the date of such notice (the "**Conversion Date**"). The holder may in such notice, state that conversion of its Seed Shares into Ordinary Shares is conditional upon the occurrence of particular events (the "**Conditions**").
- 8.2 All of the Seed Shares shall automatically convert into Ordinary Shares immediately upon the occurrence of an IPO¹.
- 8.3 In the case of (i) article 8.1, at least five Business Days after the Conversion Date or (ii) in the case of article 8.2, at least five Business Days prior to the occurrence of the IPO, each holder of the relevant Seed Shares shall deliver the certificate (or a suitable indemnity) in respect of the shares being converted for such shares to the Company at its registered office for the time being.
- 8.4 Where conversion is mandatory on the occurrence of an IPO, that conversion will be effective only immediately prior to such IPO (and "**Conversion Date**" shall be construed accordingly) and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred. In the event of a conversion under article 8.1, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 8.5 On the Conversion Date, the relevant Seed Shares shall without further authority than is contained in these articles stand converted into Ordinary Shares on the basis of one

¹ **TW note:** Conducting an IPO has been included as an IMC matter. We consider this to be a sufficient control in relation to the proposed IPO valuation.

Ordinary Share for each Seed Share held and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.

- 8.6 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 its certificate(s) (or indemnity) in respect of the Seed Shares in accordance with this article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Seed Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.

9. Anti-Dilution protection

- 9.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Investor Majority (including the consent of the Lead Investor for so long as the Lead Investor and its Permitted Transferees hold not less than 50% of the Seed Shares issued to them on or around the Date of Adoption) shall have specifically waived the rights of all of the holders of Seed Shares, issue to each holder of Seed Shares (the "**Exercising Investor**") the right to receive a number of new Seed Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with article 9.3 (the "**Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

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

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

SIP = Starting Price

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

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

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

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

9.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by the Investor Director) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in article 9.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of article 9.1 or this article 9.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and
- (b) subject to the payment of any cash payable pursuant to article 9.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Seed Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to article 9.2(a).

9.3 In the event of any Bonus Issue or Reorganisation, other than shares issued as a result of the events set out in article 10.4(d), the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Investor Majority within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Investor Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

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

10.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.

10.2 Unless otherwise determined by special resolution and Investor Majority Consent, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each holder of Equity Shares by:

- (a) giving details of the number and subscription price of the New Securities;
- (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
- (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- (d) stating that, if there is competition among the holders of Equity Shares for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Equity Shares (his "**Proportionate Allocation**");

- (e) inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("**Extra Securities**") and, if so, the number of Extra Securities.

10.3 On expiry of an offer made in accordance with article 10.2 (or sooner if applications or refusals have been received from all holders of Equity Shares and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:

- (a) if the total number of New Securities applied for is equal to or less than the New Securities offered, each holder of Equity Shares shall be allocated the number applied for by him; or
- (b) if the total number of New Securities applied for is more than the New Securities offered, each holder of Equity Shares shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and
- (c) applications for Extra Securities shall be allocated in accordance with such applications or, in the event of competition, among those holders of Equity Shares applying for Extra Securities in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Securities than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Securities have been allocated;
- (d) fractional entitlements shall be rounded to the nearest whole number;

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

10.4 The provisions of articles 10.2 and 10.3 shall not apply to:

- (a) options to subscribe for Ordinary Shares under the Share Option Plan;
- (b) New Securities issued or granted in order for the Company to comply with its obligations under these articles including, but not limited to the Anti-Dilution Shares;
- (c) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority;
- (d) New Securities which the Investor Majority have agreed in writing should be issued without complying with the procedure set out in this article 10; and
- (e) New Securities issued as a result of a Bonus Issue or Reorganisation which has been approved in writing by an Investor Majority.

10.5 Any New Securities offered under this article 10 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor in accordance with the terms of this article 10.

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

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

11. Transfers of Shares – general

- 11.1 Reference to the transfer of a Share in these articles includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 11.2 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 11.3 No Ordinary Shares held by any Founder shall be transferred without Investor Majority Consent if such transfer would result in that Founder holding less than 85% of the Ordinary Shares held by them on the Date of Adoption.
- 11.4 The Directors may refuse to register a transfer of a Share if:
- (a) a Shareholder transfers a Share other than in accordance with these articles;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
 - (c) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company.

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

- 11.5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.
- 11.6 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 11.7 Any transfer of a Share by way of sale which is required to be made under articles 13 to 18 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

12. Permitted Transfers

- 12.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise, save that no Unvested Shares or Restricted Shares shall be transferred to a Permitted Transferee without Investor Majority Consent.

- 12.2 Shares previously transferred as permitted by article 12.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 12.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.
- 12.4 A transfer of any Shares approved by the Investor Majority and the Board may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors.
- 12.5 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, with prior written consent of the Investor Majority.
- 12.6 Notwithstanding any other provisions of these articles, any transfer pursuant to the Secondary Sale may be made without restriction as to price or otherwise.

13. Transfers of Shares subject to pre-emption rights

- 13.1 Save where the provisions of articles 12, 18 and 19 apply, a Shareholder who wishes to transfer Shares (a "**Seller**") shall give notice in writing (which cannot be withdrawn save with the consent of the Board) (a "**Transfer Notice**") to the Company (constituting the Company the agent of the Seller) specifying:

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

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

If a Shareholder is deemed to have given a Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (including the Investor Director but with any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice) and failing such agreement such price will be deemed to be the Fair Value of such Shares.

- 13.2 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under article 14), the Board shall offer the Sale Shares in the manner set out in articles 13.3 and 13.4.

13.3 Priority for offer of Sale Shares

- (a) The Sale Shares shall be offered in the following priority:

- (i) first, to the holders of Seed Shares; and
- (ii) second, to the holders of Ordinary Shares,

in each case on the basis set out in Article 13.4, (the "**Priority Rights**").

13.4 *Transfers: Offer*

- (a) The Board shall offer the Sale Shares pursuant to the Priority Rights to all shareholders specified in the offer 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 10 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- (b) 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 have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of 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.
- (c) 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 13.9.

13.5 On expiry of an offer made in accordance with article 13.2 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:

- (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
- (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied;
- (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all Shares have been allocated; and
- (d) fractional entitlements shall be rounded to the nearest whole number.

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

- 13.7 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 13.8 If the Seller fails to comply with the provisions of article 13.7:
- (a) the chairman of the Directors or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
 - (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
 - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).
- 13.9 If an Allocation Notice does not relate to all the Sale Shares then, subject to article 13.10, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included within the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 13.10 The right of the Seller to transfer Shares under article 13.9 does not apply if the Board is of the opinion on reasonable grounds that:
- (a) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (b) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 13.11 Any Sale Shares offered under this article 13 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor in accordance with the terms of this article 13.

14. Valuation of Shares

- 14.1 If no price is agreed between the Seller and the Board (including the Investor Director) then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with article 14.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares or if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.
- 14.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and appointed by the Company.
- 14.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflect any other factors which the Expert Valuer reasonably believe should be taken into account.
- 14.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 14.5 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed in which case the Seller shall bear the cost.
- 15. Compulsory transfers – general**
- 15.1 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.
- 15.2 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 15.3 If a Permitted Transferee ceases to be a Permitted Transferee of the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 15.4 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or

administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

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

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this article 15.5 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

15.6 If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or, in the case of any Permitted Transferee and/or nominee, procure the giving of) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferees' names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice. This article 15.6 shall not apply to a member that is an Investor.

16. Departing Founders

16.1 *Deferred Shares*

- (a) Unless the Board and the Investor Majority determine that this article 16.1(a) shall not apply, if at any time during the Relevant Period a Founder is a Bad Leaver, all the Relevant Founder Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share).
- (b) Unless the Board and the Investor Majority determine that this article 16.1(b) shall not apply, if at any time during the Relevant Period a Founder is a Good Leaver, all the Unvested Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share) save that if such Founder ceases to be an Employee within 12 months from the Date of Adoption all of such Relevant Founder Shares shall so convert.
- (c) Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Effective Termination Date. Upon the Effective Termination Date, the Founder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form

acceptable to the Board) for the 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.

- (d) The Company shall be entitled to retain any share certificate(s) relating to Founder Shares, while any such Shares remain Unvested Shares.

16.2 *Very Good Leaver*

- (a) If at any time during the Relevant Period a Founder is a Very Good Leaver:
 - (i) the Founder shall be entitled to keep all of the vested Founder Shares; and
 - (ii) in respect of the Unvested Shares, the Board (other than a departing Founder but including the consent of the Investor Director) shall be entitled to determine that either:
 - (A) such Founder shall be entitled to keep all of the Unvested Founder Shares relating to such Founder; or
 - (B) a Transfer Notice shall be deemed to be given in respect of any Unvested Shares of such Founder. The Transfer Price shall be for Fair Value.
- (b) Fair Value for the purposes of Article 16.2(a)(ii) shall be as agreed between the Board and the relevant Founder (or his/her estate), or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 14.
- (c) For the purposes of a transfer made in accordance with Article 16.2(a)(ii)(B), such Founder Shares shall be offered in the following priority:
 - (i) first, to the Company; and
 - (ii) second, to such persons as the Board (acting with the consent of the Investor Director) shall determine.

16.3 *Restricted Shares*

- (a) If a Founder becomes a Very Good Leaver and the Board determines that a Transfer Notice shall be deemed to be given in respect of his Unvested Shares pursuant to article 16.2(a)(ii)(B), all voting rights attached to that Founder's Unvested Shares shall at the time he becomes a Very Good be suspended, unless the Board and the Investor Majority notify him otherwise.
- (b) If a Founder becomes a Bad Leaver, all voting rights attached to that Founder's Shares which have not been converted into Deferred Shares in accordance with article 16.1(a) shall at the time he becomes a Bad Leaver be suspended, unless the Board and the Investor Majority notify him otherwise.
- (c) All voting rights attached to the Restricted Shares shall upon completion of a transfer of such Restricted Shares (as evidenced by the transferee's name being entered in the Company's register of members) be automatically restored.

17. Deferred Shares

- 17.1 The Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company, nor to receive, vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company.
- 17.2 No Deferred Share shall have any entitlement to a dividend.
- 17.3 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 17.4 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
 - (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
 - (c) purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 17.5 No Deferred Share may be transferred without the prior consent of the Board.

18. Co-Sale right

- 18.1 No transfer (other than a Permitted Transfer) of any of the Equity Shares held by a Founder and Permitted Transferees of that Founder to whom the Founder has transferred Shares may be made or validly registered unless the relevant Founder and any Permitted Transferee of that Founder (each a "**Selling Shareholder**") shall have observed the following procedures of this Article 18 unless the Investor Majority has determined that this Article 18 shall not apply to such transfer.
- 18.2 After the Selling Shareholder has gone through the pre-emption process set out in article 13, the Selling Shareholder shall give to each holder of Seed Shares not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:
- (a) the identity of the proposed purchaser (the "**Buyer**");
 - (b) the price per share which the Buyer is proposing to pay provided that in the case of the Seed Shares the price per share shall not be less than the Original Purchase Price;
 - (c) the manner in which the consideration is to be paid;

- (d) the number of Equity Shares which the Selling Shareholder proposes to sell; and
- (e) the address where the counter-notice should be sent.

18.3 Each holder of Seed Shares shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Shareholder that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such holder of Seed Shares wishes to sell. The maximum number of Equity Shares which a holder of Seed Shares can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

X is the number of Equity Shares held by the holder of Seed Shares;

Y is the total number of Equity Shares;

Z is the number of Equity Shares the Selling Shareholder proposes to sell.

Any holder of Seed Shares who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Equity Shares.

18.4 Following the expiry of five Business Days from the date the holders of Seed Shares receive the Co-Sale Notice, the Selling Shareholder shall be entitled to sell to the Buyer on the terms notified to the holders of Seed Shares a number of Equity Shares not exceeding the number specified in the Co-Sale Notice less any Equity Shares which holders of Seed Shares have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the holders of Seed Shares the number of Equity Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Shareholder from the Buyer.

18.5 No sale by the Selling Shareholder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

18.6 Sales made under a Co-Sale Notice in accordance with this article 18 shall not be subject to article 13.

19. Drag-along

19.1 If the holders of more than 50% of the Equity Shares (including 60% of the Seed Shares) (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 require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares (the "**Called Shares**") to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this article 19.

19.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this article 19,

the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article 19) and the proposed date of transfer.

- 19.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 19.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Called Shares and the Sellers' Shares were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 7.
- 19.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this article 19.
- 19.6 Within five Business Days of the Company serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or an indemnity for a lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to article 19.4 to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt for the amounts due pursuant to article 19.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to article 19.4 in trust for the Called Shareholders without any obligation to pay interest.
- 19.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to article 19.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 19 in respect of their Shares.
- 19.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or an indemnity) for its Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to article 19.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to article 19.4.
- 19.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of article 13.
- 19.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a **"New**

Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

20. Purchase of own Shares

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

21. Indemnities and insurance

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

(a) 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:

(i) any liability incurred by the director to the Company or any associated company; or

(ii) 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

(iii) any liability incurred by the director:

(A) in defending any criminal proceedings in which he is convicted;

(B) 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

(C) 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 21.1(a) applying;

- (b) 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.
- 21.2 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.
- 22. Data Protection**
- 22.1 The Company may process (electronically, manually or otherwise) the following categories of personal data in respect of the Shareholders and Directors:
 - (a) identifying information, such as names, addresses, contact details and any other information required for the Company's statutory registers;
 - (b) details of participation in the Company's affairs, such as attendance at and contribution to Company meetings and/or written resolutions, voting records etc;
 - (c) in the case of Shareholders, details of their respective shareholdings (and any other security) in the Company; and
 - (d) any other information which is required to be recorded by law, regulation or court order or which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security), in the Company

(together, the "**Personal Data**").
- 22.2 The Company will only use the Personal Data where it has a valid legal basis to do so. The Company has a legitimate interest in processing Personal Data where it is necessary for the purposes of the proper administration of the Company and its affairs, the undertaking of due diligence exercises and compliance with applicable laws, regulations and procedures.
- 22.3 The Company will use appropriate technical and organisational measures to safeguard Personal Data. The Company will retain Personal Data for no longer than is reasonably required.
- 22.4 The Company may disclose Personal Data to:
 - (a) other Shareholders and Directors (each a "**Recipient**");
 - (b) a Member of the same Group as a Recipient ("**Recipient Group Companies**");
 - (c) employees, directors and professional or financial advisers of that Recipient or the Recipient Group Companies;
 - (d) funds managed by any of the Recipient Group Companies and their respective professional or financial advisers; and

- (e) current or potential investors in the Company or purchasers of the Company's shares,

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