

COMPANY NO. 12843791

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SECULUXE LIMITED (the Company)

(Adopted by special resolution passed on 6 November 2023)

Introduction

1 INTERPRETATION

1.1 In these Articles, the following words have the following meanings:

A Director	means a director appointed pursuant to article 6.2;
A Shares	means the A ordinary shares of £0.001 each in the capital of the Company;
Acceptance Period	means the period during which an offer made under article 16 is open for acceptance;
Adoption Date	means the date of adoption of these Articles;
Appointor	has the meaning given in article 11.1;
Articles	means the Company's articles of association for the time being in force;
B Shares	means the B ordinary shares of £0.001 each in the capital of the Company;
B Share Percentage	means 5%;
Board	means the board of directors as constituted from time to time;

Business Day	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
C Ordinary Shares	means the C ordinary shares of £0.001 each in the capital of the Company;
CA 2006	means the Companies Act 2006;
Conflict	means 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;
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;
Deemed Transfer Notice	means a Transfer Notice that is deemed to have been served under any provisions of these Articles;
Departure Date	means the date that a Shareholder becomes a Departing Member;
Departing Member	means a holder of B Shares and / or C Shares:- <ul style="list-style-type: none"> (i) whose underlying shareholder and / or director ceases to be employed by the Company; or (ii) who ceases to be engaged by the Company (whether as a consultant, supplier, freelancer, contractor, sub-contractor or otherwise); or (iii) who ceases to be engaged by the Company in accordance with any understanding and / or arrangement (whether formal or informal and whether paid or unpaid) in place between the holder of B Shares and / or C Shares and the Company; or (iv) who ceases to operate blockchain and / or ceases provide assistance, advice and / or services to the Company in connection with blockchain; or

(v) ceases to be involved with the Company other than in his /its capacity as Shareholder;

Eligible Director means a director who would be entitled to vote on the matter at a Board meeting (but excluding any director whose vote is not to be counted in respect of the particular matter);

Fair Value means in relation to Shares, as determined in accordance with article 18;

Interested Director has the meaning given in article 9.1;

Issue Price means in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles;

Proposed Sale Price has the meaning given in article 16;

Sale Shares has the meaning given in article 16;

Shares means shares (of any class) in the capital of the Company and Share shall be construed accordingly;

Shareholders the holders for the time being of any Shares and Shareholder shall mean any one of them;

Seller has the meaning given in article 16;

Transfer Notice has the meaning given in article 16;

Transfer Price has the meaning given in article 16;

Valuers means an independent firm of accountants jointly appointed by the Shareholders or, in the absence of agreement between the

Shareholders on the identity of the expert within 10 Business Days of a Shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator); and

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

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the CA 2006 shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 A reference to writing or written does not include fax or email.
- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.

2 ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2) and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(1)(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

Directors

3 DIRECTORS' MEETINGS

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it.
- 3.4 Each director has one vote at a meeting of directors.

4 UNANIMOUS DECISIONS OF DIRECTORS

- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision 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.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

5 CALLING A DIRECTORS' MEETING

- 5.1 Any director may call a directors' meeting by giving not less than five Business Days' notice of the meeting (or such lesser notice as agreed by the directors) to the directors or by authorising the company secretary (if any) to give such notice.
- 5.2 Notice of any directors' meeting must be accompanied by:-
 - 5.2.1 an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - 5.2.2 copies of any papers to be discussed at the meeting.
- 5.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

6 PROCEEDINGS OF DIRECTORS

- 6.1 The quorum for any meeting of the directors shall be two Eligible Directors including an A Director. If a quorum is not present because the number of directors required to be present for a quorum are not present within 30 minutes of the time specified for a directors' meeting in the notice of the meeting then it shall be adjourned for ten Business Days at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes of the time specified for the directors' meeting in the adjourned notice of the meeting, then there will be deemed to be a quorum and the meeting shall proceed.
- 6.2 The holder of A Shares shall have the right to appoint and maintain in office such number of natural persons as it may from time to time direct and to remove any directors so

appointed and, upon their removal whether by it or otherwise, to appoint other persons in their place.

- 6.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 9 to authorise a director's conflict, if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

7 CASTING VOTE

The chairperson shall have a casting vote.

8 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 8.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the CA 2006 and provided he has declared the nature and extent of his interest in accordance with the requirements of the CA 2006, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:-

- 8.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 8.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 8.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 8.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 8.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 8.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252

of the CA 2006)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the CA 2006.

9 DIRECTORS' CONFLICTS OF INTEREST

9.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an Interested Director) breaching his duty under section 175 of the CA 2006 to avoid conflicts of interest (Conflict).

9.2 Any authorisation under this article 9 will be effective only if:-

9.2.1 to the extent permitted by the CA 2006, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

9.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and

9.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other Interested Director's vote had not been counted.

9.3 Any authorisation of a Conflict under this article 9 may (whether at the time of giving the authorisation or subsequently):-

9.3.1 extend to any actual or potential Conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

9.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

9.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;

- 9.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 9.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 9.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 9.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 9.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 9.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in a general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

10 RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

11 ALTERNATE DIRECTORS

- 11.1 Any director (other than an alternate director) (the Appointor) may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers,

and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise.

11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

11.3 The notice must:-

11.3.1 identify the proposed alternate; and

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

11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

11.5 Except as the Articles specify otherwise, alternate directors:

11.5.1 are deemed for all purposes to be directors;

11.5.2 are liable for their own acts and omissions;

11.5.3 are subject to the same restrictions as their Appointors; and

11.5.4 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 the alternate's Appointor is a member.

11.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:-

11.6.1 be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and

- 11.6.2 participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).
- 11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.
- 11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:-
- 11.9.1 when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
- 11.9.2 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; or
- 11.9.3 when the alternate director's Appointor ceases to be a director for whatever reason.

12 SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

Shares

13 PURCHASE OF OWN SHARES

- 13.1 Subject to the CA 2006 but without prejudice to any other provision of these Articles, the Company may purchase its own Shares in accordance with Chapter 4 of Part 18 of the

CA 2006, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:-

13.1.1 £15,000; and

13.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

14 SHARE CAPITAL

14.1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

14.2 The Company shall immediately cancel any Shares acquired under Chapter 4 of Part 18 of the CA 2006.

15 SHARE TRANSFERS: GENERAL

15.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal 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.

15.2 No Shareholder shall transfer any share except:-

15.2.1 with the consent of the holders of a majority of A Shares;

15.2.2 in accordance with the procedure set out in article 16 (Pre-emption Rights on the Transfer of Shares); or

15.2.3 in accordance with article 17 (Compulsory Transfers); or

15.2.4 in accordance with article 19 (Drag Along); or

15.2.5 in accordance with article 20 (Tag Along).

- 15.3 Subject to article 15.4, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of Shares which has not been made in compliance with these Articles.
- 15.4 The directors may, as a condition to the registration of any transfer of Shares in the Company require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the Shareholders in such form as the directors may reasonably require (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). If any such condition is imposed in accordance with this article 15.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.
- 15.5 Any transfer of Shares by way of a sale under these Articles shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.
- 15.6 Any Transfer Notice served in respect of the transfer of any Shares which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

16 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 16.1 Except where a transfer is made with the consent of the holders of a majority of A Shares or the provisions of article 17 or article 19 apply, any transfer of Shares shall be subject to the pre-emption rights in this article 16.
- 16.2 A Shareholder who wishes to transfer Shares (a Seller) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a Transfer Notice) to the Company specifying:-
- 16.2.1 the number of Shares it / he wishes to transfer (Sale Shares);
- 16.2.2 the name of the proposed transferee, if any; and

16.2.3 the price per Sale Share (in cash), if any, at which it / he wishes to transfer the Sale Shares (the Proposed Sale Price).

16.3 Once given, a Transfer Notice may only be withdrawn by the Seller:-

16.3.1 with the consent of the Board; or

16.3.2 where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price. In such case, the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice by written notification to the Board.

A Deemed Transfer Notice may not be withdrawn.

16.4 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the bona fide price per Sale Share (in cash) agreed by the Board on arm's length terms (excluding any director appointed by the Seller and any director appointed seller pursuant to a Deemed Transfer Notice) or, in the absence of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article 18 (Valuation).

16.5 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

16.6 As soon as practicable following the later of:-

16.6.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

16.6.2 the determination of the Transfer Price,

the directors shall (unless the Transfer Notice is withdrawn in accordance with article 16.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 16 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

16.7 An offer of Sale Shares made in accordance with this article 16 shall remain open for acceptance for a period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 16.8.

16.8 Subject to article 16.7, the directors shall offer the Sale Shares in the following order of priority:-

16.8.1 first, to the holders of A Shares (excluding the Seller); and

16.8.2 second, to the remaining Shareholders (excluding the Seller) to take up the Sale Shares not taken up pursuant to article 16.8.1 in proportion to the number of Shares held by them,

and in each case, the Sale Shares shall be offered on the following basis:-

16.8.3 any person to whom the Sales Shares are offered in accordance with the above-mentioned order of priority may accept all or some only of the Sale Shares offered to it (the Purchaser(s)) and shall be invited to indicate whether they wish to purchase any Sale Shares which others decline to accept (Excess Shares) and, if so, the maximum number of Excess Shares it wishes to purchase;

16.8.4 in the case of the Shareholders wishing to purchase any Excess Shares, the Excess Shares shall be allocated between those who have indicated that they wish to purchase Excess Shares pro rata to the proportion of the total number of Shares held by those Shareholders but so that no Shareholder shall be required or entitled to receive more than the maximum indicated by it pursuant to article 16.8.3; and

16.8.5 subject to the provisions of this article and article 16.9, the Purchaser(s) shall be bound to purchase the Sale Shares properly allocated to them under the provisions of this article 16 at the Transfer Price in accordance with the provisions of article 16.9.

16.9 Not later than 7 days following the expiration of the Acceptance Period the Company shall give written notice to the Seller stating:-

16.9.1 if it is the case, that no person has sought to purchase any of the Sale Shares; or otherwise

16.9.2 the number of Sale Shares which Purchaser(s) have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by the Purchaser.

- 16.10 If, within the Acceptance Period, Purchasers have been found for some only of the Sale Shares or if no Purchaser has been found for any of the Sale Shares, the Seller may within 7 days of service on him of notice under this article:-
- 16.10.1 revoke his Transfer Notice by written notice to the Company; or
- 16.10.2 sell any balance of the Sale Shares to a third party/parties with the consent of the holders of a majority of the A Shares, at the higher of the Transfer Price or the Proposed Sale Price.
- 16.11 If the Seller is given notice under article 16.9.2 (and subject to it not revoking its Transfer Notice in accordance with 16.10.1) it / he shall be bound on payment of the Transfer Price to transfer the Sale Shares in question to the respective Purchasers. The completion of the purchase of the Sale Shares shall be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of 14 days following the date of service of notice by the Company under article 16.9.
- 16.12 Where allocations have been made in respect of all the Sale Shares the directors shall, when no further offers or allocations are required to be made under article 16.7 to article 16.11 (inclusive), give notice in writing of the allocations of Sale Shares (an Allocation Notice) to the Seller and each Purchaser. The Allocation Notice shall specify the number of Sale Shares allocated to each Purchaser and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 16.13 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from a Purchaser, transfer the Sale Shares allocated to such Purchaser, in accordance with any requirements specified in the Allocation Notice.
- 16.14 If the Seller fails to comply with article 16.12:-
- 16.14.1 the chairperson (or, failing him, any other director or some other person nominated by a resolution of the directors) may, as agent and attorney on behalf of the Seller:-
- 16.14.1.1 complete, execute and deliver in its name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Purchaser;

16.14.1.2 receive the Transfer Price and give a good discharge for it (and no Purchaser shall be obliged to see to the distribution of the Transfer Price); and

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

16.14.2 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 it has delivered its certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company. Failure to produce a share certificate shall not impede the registration of Shares under this article 16.

17 COMPULSORY TRANSFERS

17.1 Subject to article 17.4, a holder of B Shares and / or C Shares is deemed to have served a Transfer Notice in respect of all of the B Shares and / or C Shares held by him / it under this article 17.1 immediately before any of the following events:-

17.1.1 if a Shareholder is an individual, a bankruptcy petition being presented or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors (or such equivalent procedure in any jurisdiction outside England and Wales);

17.1.2 if a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales;

17.1.3 if there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any holder of B Shares which is a company;

17.1.4 if a Shareholder is an individual, the death of that Shareholder;

- 17.1.5 if a Shareholder is an individual and lacks capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or his shareholding; and
 - 17.1.6 a holder of B Shares and / or C Shares becoming a Departing Member.
- 17.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be in the case of articles 17.1.1 –17.1.6, the higher of the Issue Price and Fair Value of those Shares, determined by the Valuers in accordance with article 18.
- 17.3 A Deemed Transfer Notice shall immediately and automatically revoke:-
 - 17.3.1 a Transfer Notice served by the relevant Shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice; and
 - 17.3.2 a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 17.1.1 – 17.1.6 (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 17.1.1 – 17.1.6.
- 17.4 The compulsory transfer provisions in this article 17 may be waived by the holders of a majority of A Shares.
- 17.5 All voting rights attaching to the Shares held by Departing Members shall be suspended from the Departure Date. From the Departure Date until such date as the Departing Member's Shares are transferred pursuant to this article 17, the Departing Member shall have the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution.
- 17.6 Each Departing Member shall be deemed to have irrevocably appointed the Company to be his / its agent and / or its attorney to execute all documents (including any transfer(s)) on his or her behalf and considered necessary to give effect to this article 17 against receipt by the Company (on trust for such holder) of the purchase price payable for any Shares in accordance with this article 17.
- 17.7 The Company shall be authorised to execute such documents on behalf of any Departing Member that may be required to legally give effect to any transfer of Shares in accordance with this article 17.

18 VALUATION

- 18.1 The Valuers shall be requested to determine the Fair Value within 10 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 18.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:-
- 18.2.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
 - 18.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 18.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - 18.2.4 the Sale Shares are sold free of all encumbrances;
 - 18.2.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - 18.2.6 to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 18.3 The Shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 18.4 To the extent not provided for by this article 18, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 18.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders in the absence of manifest error or fraud.

- 18.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller unless the Seller withdraws the relevant Transfer Notice in accordance with article 16.3, in which case the Seller shall bear the cost.

19 DRAG ALONG

- 19.1 If the holders of 75% of the A Shares in issue for the time being (Selling Shareholders) wish to transfer all (but not some only) of their respective Shares (Sellers' Shares) to a bona fide third-party purchaser on arm's length terms (Proposed Buyer), the Selling Shareholders may require all other holders of Shares (Called Shareholders) to sell and transfer their Shares (Called Shares) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (Drag Along Option).

- 19.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (Drag Along Notice) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:-

19.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this article 19;

19.2.2 the person to whom the Called Shares are to be transferred;

19.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

19.2.4 the proposed date of the transfer.

- 19.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within ten Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 19.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article 19.

- 19.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless the Sellers and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them (Completion Date).

- 19.6 Neither the proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in article 16.
- 19.7 On or before the Completion Date, the Called Shareholders shall execute and deliver a stock transfer form(s) for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 19.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 19.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 19 in respect of their Shares.
- 19.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 19.7) transfer(s) in respect of all of the Called Shares held by it, that Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 19.9.

20 TAG ALONG

- 20.1 After going through the pre-emption procedure set out in article 16, the provisions of article 20.2 to article 20.6 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (Proposed Transfer) which would, if carried out, result in any person (Buyer), acquiring a Controlling Interest in the Company.

- 20.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (Offer) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, in the Proposed Transfer or in any related previous transaction in the 2 months preceding the date of the Proposed Transfer (Specified Price).
- 20.3 The Offer shall be made by written notice (Offer Notice), at least ten Business Days before the proposed sale date (Sale Date). To the extent not described in any accompanying documents, the Offer Notice shall set out:-
- 20.3.1 the identity of the Buyer;
- 20.3.2 the Specified Price and other terms and conditions of payment;
- 20.3.3 the Sale Date; and
- 20.3.4 the number of Shares proposed to be purchased by the Buyer (Offer Shares).
- 20.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with article 20.2 and article 20.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 20.5 If the Offer is accepted by any Shareholder (Accepting Shareholder) in writing within fourteen Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 20.6 The Proposed Transfer is subject to the pre-emption provisions of article 16, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

Decision making by Shareholders

21 QUORUM FOR GENERAL MEETINGS

- 21.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons, present in person or by proxy including at least one holder of A Shares.
- 21.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

22 CHAIRING GENERAL MEETINGS

The chairperson of the Board shall chair general meetings. If the chairperson is unable to attend any general meeting, the Shareholder who appointed him shall be entitled to appoint another of his nominated directors present at the meeting to act as chair at the meeting or may himself act as chair of the general meeting (where the chair of the Board and the Shareholder are not one and the same) or shall be entitled to appoint his proxy present at the meeting to act as chair at the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

23 RIGHTS ATTACHING TO SHARES

23.1 Voting

23.1.1 At a general meeting, on a show of hands every Shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself / herself a Shareholder entitled to vote; on a poll every Shareholder present in person or by proxy shall have one vote for each Share of which it is the holder; and on a vote on a written resolution every Shareholder has one vote for each Share of which it is the holder.

23.2 Income

23.2.1 Any dividends or distributions that are made and / or declared by the Company shall be applied as between the holders of Shares pro rata as nearly as possible to their respective holdings of Shares.

23.2.2 The A Shares, the B Shares and the C Shares shall rank as separate classes of Shares.

23.3 Return of Capital / Liquidation

23.3.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities (Distribution Proceeds) shall be (to the extent that the Company is lawfully able to do so) distributed as follows:-

23.3.1.1 firstly, in paying any arrears and accruals of dividends to the holders of Shares calculated to (and including) the date of return; and

- 23.3.1.2 secondly, in paying the B Share Percentage of the Distribution Proceeds as between the holders of the B Shares pro rata to the B Shares held and the balance of the Distribution Proceeds shall be distributed as between the holders of A Shares and C Shares pro rata to the number of A Shares and C Shares held.

24 POLL VOTES

- 24.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting.
- 24.2 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

25 PROXIES

- 25.1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 25.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

Administrative arrangements

26 MEANS OF COMMUNICATION TO BE USED

- 26.1 Subject to article 26.2, any notice, document or other information shall be deemed received by the intended recipient:
- 26.1.1 if delivered by hand, on signature of a delivery receipt; or
- 26.1.2 if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after; or
- 26.1.3 if sent by email, at the time of transmission.

- 26.2 If deemed receipt under article 26.1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, Usual Business Hours means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information (which, in the case of service by email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).
- 26.3 To prove service, it is sufficient to prove that:
- 26.3.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
 - 26.3.2 if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
 - 26.3.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.
- 26.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

27 INDEMNITY AND INSURANCE

- 27.1 Subject to article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:-
- 27.1.1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

- 27.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 27.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 27.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law and any such indemnity is limited accordingly.
- 27.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 27.4 In this article:
- 27.4.1 a "relevant officer" means any director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- 27.4.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.