

**DATED** 5 May **2023**

---

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY  
SHARES  
ARTICLES OF ASSOCIATION  
TAC INSIGHTS LIMITED**

---



## Contents

1	Interpretation .....	1
2	Unanimous decisions .....	5
3	Calling a directors' meeting .....	5
4	Quorum for directors' meetings .....	6
5	Casting vote .....	6
6	Transactions or other arrangements with the Company.....	6
7	Directors' conflicts of interest.....	7
8	Records of decisions to be kept.....	8
9	Number of directors.....	8
10	Appointment of directors.....	8
11	Further issues of shares: authority.....	8
12	Further issues of shares: pre-emption rights.....	9
13	Transfer of Shares.....	10
14	Permitted Transfers.....	13
15	Compulsory transfers .....	13
16	Valuation of Shares .....	15
17	Drag along.....	16
18	Tag along rights on a change of control.....	17
19	Secretary.....	18
20	Purchase of own shares .....	18
21	Poll votes.....	18
22	Proxies .....	19
23	Means of communication to be used .....	19
24	Annual financial statements and appropriation of profits.....	20
25	Indemnity.....	20
26	Insurance .....	20

**Company number 04263656**  
**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**TAC INSIGHTS LIMITED (the "Company")**  
**(Adopted by special resolution passed on 5 May 2023)**

**Introduction**

**1     Interpretation**

1.1     The following definitions and rules of interpretation apply in these Articles:

“**A Shares**” means A Ordinary Shares of £0.01 each in the capital of the Company.

“**Accepting Shareholder**” has the meaning given to it in article 19.5.

“**Act**” means the Companies Act 2006.

“**Allocation Notice**” has the meaning given in article 14.9.

“**Applicant**” has the meaning given in article 14.9.

“**Articles**” means the Company’s articles of association for the time being in force.

“**B Shareholder**” means a holder for the time being of B Shares;

“**B Shares**” means B Ordinary Shares of £0.01 each in the capital of the Company.

“**Bad Leaver**” a C Shareholder who becomes a Departing Employee and is not a Good Leaver.

“**Board**” means the board of directors of the Company from time to time.

“**Business Day**” means a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

“**Buyer**” has the meaning given to it in article 19.1.

“**C Shareholder**” means a holder for the time being of C Shares.

“**C Shares**” means C Ordinary Shares of £0.01 each in the capital of the Company.

“**Called Shareholders**” has the meaning given to it in article 18.1.

“**Called Shares**” has the meaning given to it in article 18.1.

“**Completion Date**” has the meaning given to it in article 18.5.

**"Conflict"** has the meaning given in article 7.1.

**"connected"** has the meaning given in section 1122 of the Corporation Tax Act 2010 (unless the context requires otherwise).

**"Deemed Transfer Notice"** means a Transfer Notice that is deemed to have been served under article 16.1.

**"Departing Employee"** means a B Shareholder or C Shareholder who ceases to be a director and/or employee of any Group Company.

**"Drag Along Notice"** has the meaning given to it in article 18.2.

**"Drag Along Option"** has the meaning given to it in article 18.1.

**"eligible director"** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

**"Employee"** means a Shareholder who is, or has been, a director and/or employee of any Group Company.

**"Encumbrance"** means any interest or equity of any person (including any right to acquire, option, right of pre-emption, any agreement in respect of voting rights or commitment to give or create voting rights) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.

**"Excess Securities"** has the meaning given in article 13.2.2.

**"Excluded Shareholder"** means each Shareholder whose course of action is subject to the relevant Shareholder Consent.

**"Fair Value"** means in relation to a Share, as determined in accordance with article 17.

**"Good Leaver"** means a B Shareholder or C Shareholder who becomes a Departing Employee by reason of:

- (a) retirement, death, permanent disability or permanent incapacity through ill-health; or
- (b) redundancy (as defined in the Employment Rights Act 1996); or
- (c) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or constructive.

**"Group"** means the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company and each company in the Group is a **"Group Company"**.

**"Interested Director"** has the meaning given in article 7.1.

**"Proposed Sale Price"** has the meaning given in article 14.3.4.

**"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.

**"New Shareholder"** has the meaning given to it in article 18.9

**"Offer"** has the meaning given to it in article 19.2

**"Offer Notice"** has the meaning given to it in article 19.3.

**"Offer Period"** has the meaning given in article 14.7.

**"Offer Shares"** has the meaning given to it in article 19.3.4.

**"Offerees"** has the meaning given in article 14.7.

**"Ordinary Shares"** means the A Shares, the B Shares and the C Shares or any of them as the context requires.

**"Proposed Buyer"** has the meaning given to it in article 18.1.

**"Proposed Sale Price"** has the meaning given to it in article 14.3.3.

**"Proposed Transfer"** has the meaning given to it in article 19.1.

**"Sale Date"** has the meaning given to it in article 19.3.

**"Sale Shares"** has the meaning given to it in article 14.3.1.

**"Seller"** has the meaning given to it in article 14.3.

**"Sellers' Shares"** has the meaning given to it in article 18.1.

**"Selling Shareholders"** has the meaning given to it in article 18.1.

**"Shareholder Consent"** means the prior written consent of the holder(s) for the time being of not less than 70% by nominal value of all Shares excluding, where relevant, any Shares held by an Excluded Shareholder

**"Shareholders' Agreement"** means any shareholders' agreement entered into between some or all of the shareholders in the Company in respect of the Company.

**"Specified Price"** has the meaning given to it in article 19.2.

**"Tag Seller(s)"** has the meaning given to it in article 19.1.

**"Termination Date"** means

- (a) where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

- (c) where the Employee concerned is a director but not an employee, the date on which their service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- (d) in any other case, the date on which the employment or holding of office is terminated.

"Transfer Notice" has the meaning given to article 14.3.

"Transfer Price" means the price per Sale Share determined in accordance with article 14.6.

"Valuers" means the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants or valuers jointly appointed by the Seller and the Board (acting with Shareholder Consent) or, in the absence of agreement between the Seller and the Board on the identity of the expert within 5 Business Days of the expiry of the 10 Business Day period referred to in article 14.6, 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).

- 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 Act shall have the same 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 Unless expressly provided otherwise, a reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.7 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.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.11 Article 7 of the Model Articles shall be amended by:

- 1.11.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
- 1.11.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.13 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.15 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.16 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

## **Directors**

### **2 Unanimous decisions**

- 2.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 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.
- 2.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.
- 2.4 If:
  - 2.4.1 the company only has one director for the time being; and
  - 2.4.2 no provision of the articles requires it to have more than one director

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

### **3 Calling a directors' meeting**

- 3.1 Any director may call a directors' meeting by giving not less than 5 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

**4 Quorum for directors' meetings**

- 4.1 Subject to article 4.2 and article 4.3, the quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 4.2 Where there is only one director in office for the time being and no provision of the articles requires the company to have more than one director, that director may (in accordance with article 2.4) exercise all the powers and authorities vested in the directors by the articles and in such circumstances the quorum for the transaction of business at directors' meetings is one.
- 4.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 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.

**5 Casting vote**

- 5.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chair or other director chairing the meeting shall not have a casting vote.

**6 Transactions or other arrangements with the Company**

- 6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 6.1.1 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;
- 6.1.2 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 or she is interested;
- 6.1.3 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 or she is interested;
- 6.1.4 may act by himself or herself, or his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or she, or his or her firm shall be entitled to remuneration for professional services as if he or she were not a director;
- 6.1.5 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
- 6.1.6 shall not, save as he or she may otherwise agree, be accountable to the Company for any benefit which he or she (or a person connected with him or her (as defined in section 252 of the Act)) 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 or her duty under section 176 of the Act.

**7 Directors' conflicts of interest**

- 7.1 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 or her duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 7.2 Any authorisation under this article 7 will be effective only if:
- 7.2.1 to the extent permitted by the Act, 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;
  - 7.2.2 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
  - 7.2.3 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.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 7.3.2 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;
  - 7.3.3 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;
  - 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his or her involvement in the Conflict and otherwise than through his or her position as a director of the Company) information that is confidential to a third party, he or she 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
  - 7.3.6 permit the Interested Director to absent himself or herself 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.

- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself or herself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 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.
- 7.6 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 or she derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in 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.

## **8 Records of decisions to be kept**

- 8.1 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

## **9 Number of directors**

- 9.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

## **10 Appointment of directors**

- 10.1 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

## **11 Rights attaching to shares**

- 11.1 The A Shares, the B Shares and C Shares shall be separate classes of shares but, save as otherwise provided in these Articles, shall carry the same rights and privileges and shall rank pari passu in all respects.
- 11.2 The rights attaching to the Ordinary Shares shall be as follows:
- 11.2.1 Voting
- (i) The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the company and, if they are present in person or by proxy they shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Ordinary Share of which they are the holder.

11.2.2 Income

- (i) Any profits which the Company or Board may determine to distribute shall be distributed amongst the holders of the Ordinary Shares (equally as if they were one class of share) pro rata according to the number of Ordinary Shares held.

11.2.3 Capital

- (i) On a return of assets on liquidation or capital reduction or otherwise (except upon the purchase by the Company of its own shares), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Ordinary Shares (equally as if they were one class of share) in proportion to the number of shares held by them respectively.

11.2.4 Redesignation

- (i) Any B Shares or C Shares transferred to a holder of A Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as A Shares (on the basis of one A Share for every one B Share or every one C Share) having all the rights, privileges and restrictions attaching to the A Shares.
- (ii) Any A Shares or C Shares transferred to a holder of B Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as B Shares (on the basis of one B Share for every one A Share or every one C Share) having all the rights, privileges and restrictions attaching to the B Shares.
- (iii) Any A Shares or B Shares transferred to a holder of C Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as C Shares (on the basis of one C Share for every one A Share or every one B Share) having all the rights, privileges and restrictions attaching to the C Shares.

**12 Further issues of shares: authority**

- 12.1 Save to the extent authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

**13 Further issues of shares: pre-emption rights**

- 13.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 13.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same

terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

- 13.2.1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
  - 13.2.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which they are entitled shall, in their acceptance, state the number of excess equity securities ("**Excess Securities**") for which they wish to subscribe.
- 13.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 13.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 13.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 13.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by that shareholder). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 13.4 Subject to Articles 13.2 and 13.3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 13.5 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

#### **14 Transfer of Shares**

- 14.1 Subject to article 15.1 or save with Shareholder Consent, no Shareholder shall transfer any Shares unless all (and not some only) of the Shares held by that Shareholder are transferred.
- 14.2 The Board shall register any duly stamped transfer made in accordance with these Articles and any Shareholders' Agreement, unless it suspects that the proposed transfer may be fraudulent.
- 14.3 Subject always to article 15 (Permitted Transfers) or except where the provisions of article 16 (Compulsory transfers) apply, a Shareholder ("**Seller**") wishing to transfer any Shares must give a notice in writing ("**Transfer Notice**") to the Company giving details of the proposed transfer, including:
- 14.3.1 the number of Shares to be transferred ("**Sale Shares**");
  - 14.3.2 if the intention is to sell the Sale Shares to a third party, the name of the proposed buyer;
  - 14.3.3 the price per Sale Share (in cash) at which it is proposed that the Sale Shares will be sold ("**Proposed Sale Price**"); and

- 14.3.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders ("**Minimum Transfer Condition**").
- 14.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of this Agreement.
- 14.5 Once given, a Transfer Notice may only be withdrawn by the Seller 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 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. A Deemed Transfer Notice may not be withdrawn.
- 14.6 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in this Agreement, be the price per Sale Share (in cash) agreed between the Seller and the Board (any director with whom the Seller is connected not voting), acting with Shareholder Consent, or, in default 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 17.
- 14.7 As soon as practicable following the determination of the Transfer Price, the Board shall (unless the Transfer Notice is withdrawn in accordance with article 14.5) offer the Sale Shares for sale to the other Shareholders (excluding any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice) ("**Offerees**") inviting them to apply to the Company in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) ("**Offer Period**") for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 14.8 If:
  - 14.8.1 at the end of the Offer Period, the total 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 Offeree who has applied for Sale Shares in the proportion which the Offeree's existing holding of Shares bears to the total number of Shares (excluding those held either by the Seller or by any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Offerees shall be determined by the Board). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which that Shareholder has expressed willingness to buy;
  - 14.8.2 not all Sale Shares are allocated following allocations in accordance with article 14.8.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 14.8.1. The procedure set out in this article 14.8.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

- 14.8.3 at the end of the Offer Period, the Company has not received applications in respect of all the Sale Shares, the Board shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares may, with Shareholder Consent, be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 14.14.
- 14.9 The Board shall, when no further offers or allocations are required to be made under article 14.8, give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and to each Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 14.10 On the date specified for completion in the Allocation Notice the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicants or the Board may reasonably require to show good title to the Sale Shares, or to enable each of them to be registered as the holder of the Sale Shares.
- 14.11 If, following a sale of Shares in accordance with this Agreement and the Articles, a Shareholder will hold no further Shares (excluding any Shares held by that Shareholder's personal representatives, successors and permitted assigns) the Shareholder shall deliver, or procure that there are delivered, to the Company the Shareholder's resignation as a director of the Company and resignations from any directors appointed by the Shareholder, such resignations to take effect at completion of the sale of the Sale Shares.
- 14.12 Any transfer of Shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee.
- 14.13 If the Seller fails to comply with article 14.10:
- 14.13.1 the chair of the Board (or, failing the chair, any other director of the Company or some other person nominated by a resolution of the Board) may, as agent attorney on behalf of the Seller:
- (i) complete, execute and deliver in the Seller's 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 no Applicant shall be obliged to see to the distribution of the Transfer Price); and
  - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
- 14.13.2 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 either the certificate(s) for the relevant Sale Shares or an indemnity in a form

reasonably satisfactory to the Board in respect of any lost certificate, have been delivered together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

- 14.14 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 20 Business Days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the buyer identified in the Transfer Notice (if any) at a price per Share at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Sale Shares to a third party buyer if that buyer was not identified in the Transfer Notice (save with Shareholder Consent).

**15 Permitted Transfers**

- 15.1 A Shareholder may only transfer their Shares with Shareholder Consent.

**16 Compulsory transfers**

- 16.1 A Shareholder is deemed to have served a Transfer Notice under article 14.3 immediately before any of the following events:

- 16.1.1 the Shareholder's death;
- 16.1.2 an order being made for the Shareholder's bankruptcy, or an arrangement or composition being proposed with any of the Shareholder's creditors, or where the Shareholder otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
- 16.1.3 the Shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or their shareholding;
- 16.1.4 the Shareholder becoming a Departing Employee, unless the Board (acting with Shareholder Consent) otherwise directs in writing within 20 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served.

- 16.2 A Deemed Transfer Notice deemed to be served under article 16.1.4 shall immediately and automatically revoke:

- 16.2.1 a Transfer Notice served by the relevant Shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice; and
- 16.2.2 a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 16.1.1 to article 16.1.3 (inclusive).

- 16.3 A Deemed Transfer Notice has the same effect as a Transfer Notice and the provisions of article 14 shall apply, except that:

- 16.3.1 subject to articles 16.4 and 16.5, the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by the Seller (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Deemed Transfer Notice);

- 16.3.2 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Shares;
  - 16.3.3 subject to article 16.6, the Transfer Price shall be the Fair Value of those Shares;
  - 16.3.4 the Seller does not have a right to withdraw the Deemed Transfer Notice following a valuation.
- 16.4 If the Allocation Notice(s) in respect of the Sale Shares comprised within a Deemed Transfer Notice does not relate to all the Sale Shares, the Seller does not have the right to sell the balance of the Sale Shares to a third party without Shareholder Consent.
- 16.5 In the event that a B Shareholder is a Good Leaver, the Deemed Transfer Notice shall only apply to such number of Shares is calculated by applying the following formula:
- $$Z = A \times (1 - (B/48))$$
- where:
- A = the total number of shares held by the B Shareholder immediately prior to him becoming a Departing Employee;
- B = the number of complete months that have elapsed from the first date on which the B Shareholder acquired or was issued any Shares; and
- Z = the total number of Shares subject to the Deemed Transfer Notice.
- 16.6 In the event that a C Shareholder is a Bad Leaver, the Transfer Price shall be restricted to the maximum of the lower of:
- 16.6.1 Fair Value; and
  - 16.6.2 the subscription price paid for each Sale Share, including any share premium.
- unless the Board (acting with Shareholder Consent) otherwise directs in writing within 20 Business Days of the relevant Termination Date that the C Shareholder shall be treated as a Good Leaver.
- 16.7 All shares subject to a Deemed Transfer Notice pursuant to article 16.1.4 (and any shares issued or transferred to the Departing Employee or to which the Departing Employee otherwise subsequently becomes entitled after the Termination Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Departing Employee's Shares or otherwise) shall, unless Shareholder Consent is given to the contrary cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise. Such rights shall be restored immediately upon the Company registering a transfer of the relevant Departing Employee's Shares pursuant to these Articles.



- 16.8 To the extent the Allocation Notice(s) in respect of the Sale Shares comprised within a Deemed Transfer Notice in respect of a Departing Employee does not relate to all the Sale Shares comprised within such Deemed Transfer Notice, the value of such remaining Sale Shares shall be capped at the Transfer Price determined in accordance with article 16.3.3 and for the avoidance of doubt, such remaining Sale Shares shall not accrue any further value for as long as the Departing Employee continues to hold such shares.

**17 Valuation of Shares**

- 17.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 17.2 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:
- 17.2.1 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;
  - 17.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 17.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - 17.2.4 the Sale Shares are sold free of all Encumbrances;
  - 17.2.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
  - 17.2.6 taking account of any other factors that the Valuers reasonably believe should be taken into account.
- 17.3 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.
- 17.4 To the extent not provided for by this article 17, 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.
- 17.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of manifest error or fraud).
- 17.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article 14.5, in which case the Seller shall bear the cost.

**18     Drag along**

- 18.1 If the holders of more than 50% of the Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all (but not some only) of their Shares ("**Sellers' Shares**") to a bona fide purchaser on arm's length terms ("**Proposed Buyer**"), the Selling Shareholders may require all of the other Shareholders ("**Called Shareholders**") to sell and transfer all of 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**").
- 18.2 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:
- 18.2.1 that the Called Shareholders are required to transfer all of their Called Shares pursuant to this article 18;
- 18.2.2 the person to whom the Called Shares are to be transferred;
- 18.2.3 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
- 18.2.4 the proposed date of the transfer.
- 18.3 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 30 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.
- 18.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 18.
- 18.5 Completion of the sale of the Called Shares shall take place on the Completion Date ("**Completion Date**"). The Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
- 18.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 18.5.2 that date is less than 5 business days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the sixth business day after service of the Drag Along Notice.
- 18.6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) 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 18.2.3 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.

- 18.7 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 forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 18 in respect of their Shares.
- 18.8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 18.6) transfer(s) in respect of all of the Called Shares held by it, each defaulting 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 it may direct) as the holder of them. 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 person. Failure to produce a share certificate shall not impede the registration of shares under this article 18.
- 18.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares ("**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 18 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

**19 Tag along rights on a change of control**

- 19.1 The provisions of article 19.2 to article 19.5 shall apply if, in one or a series of related transactions, one or more Shareholders ("**Tag Seller(s)**") propose to transfer any of the Shares ("**Proposed Transfer**") which would, if carried out, result in any person ("**Buyer**"), acquiring at least 50% of the issued share capital of the Company.
- 19.2 Before making a Proposed Transfer, a Tag Seller shall procure that the Buyer makes an offer ("**Offer**") to:
- 19.2.1 the other Shareholders to purchase all of the Shares held by them;
- 19.2.2 the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of options at any time before the Proposed Transfer,

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 3 months preceding the date of the Proposed Transfer ("**Specified Price**").

19.3 The Offer shall be made by written notice ("**Offer Notice**"), at least 15 business days before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:

19.3.1 the identity of the Buyer;

19.3.2 the Specified Price and other terms and conditions of payment;

19.3.3 the Sale Date; and

19.3.4 the number of Shares proposed to be purchased by the Buyer ("**Offer Shares**").

19.4 If the Buyer fails to make the Offer to all of the persons listed in article 19.2 in accordance with article 19.2 and article 19.3, the Tag Seller(s) 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.

19.5 If the Offer is accepted by any Shareholder ("**Accepting Shareholder**") in writing within 5 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 Secretary**

20.1 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**

### **21 Purchase of own shares**

21.1 Subject to the Act 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 Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

21.1.1 £15,000; and

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

## **Decision making by shareholders**

### **22 Poll votes**

22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

- 22.2 Article 44(3) of the Model Articles 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.

**23 Proxies**

- 23.1 Article 45(1)(d) of the Model Articles 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 the general meeting (or adjourned meeting) to which they relate".
- 23.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

**Administrative arrangements**

**24 Means of communication to be used**

- 24.1 Subject to article 24.3, any notice, document or other information shall be deemed received by the intended recipient:
- 24.1.1 if delivered by hand at the time the notice, document or other information is left at the address;
  - 24.1.2 if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting;
  - 24.1.3 if sent by pre-paid airmail providing proof of posting, at 9.00 am on the fifth Business Day after posting;
  - 24.1.4 if sent by email, at the time of transmission; or
  - 24.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 24.2 If deemed receipt under article 24.1 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this article 18.2, business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt and all references to time are to local time in the place of receipt.
- 24.3 To prove service, it is sufficient to prove that:
- 24.3.1 if delivered by hand, the notice was delivered to the correct address; or
  - 24.3.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted;
  - 24.3.3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

**25     Annual financial statements and appropriation of profits**

- 25.1     In the first four months of each financial year, the management shall prepare the annual financial statements (balance sheet with income statement) of the Company and the consolidated financial statements for the past financial year and, to the extent required by law, submit them to the auditor for audit.
- 25.2     The managing directors shall submit the annual financial statements together with the auditor's written report, insofar as the financial statements are audited, to the Shareholders for resolution immediately after completion, but no later than by the end of the fifth month after the end of the financial year, together with their proposals for the appropriation of profits

**26     Indemnity**

- 26.1     Subject to article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 26.1.1     each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him or her in defending any civil or criminal proceedings, in which judgment is given in his or her favour or in which he or she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his or her part or in connection with any application in which the court grants him or her, in his or her capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
- 26.1.2     the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in article 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 26.2     This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 26.3     In this article:
- 26.3.1     companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 26.3.2     a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

**27     Insurance**

- 27.1     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.

27.2 In this article:

- 27.2.1 a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- 27.2.2 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, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- 27.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.