

Company number: 07433966

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
of
PLANVINE LTD

(Adopted by a special resolution passed on 23 December 2022)



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1. Introduction

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension of or to such statutory provision for the time being in force.
- 1.3 In these Articles:
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - (c) Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
 - (d) reference to "**issued Shares**" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - (e) reference to the "**holders**" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2. Definitions

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

"**Accepting Shareholder**" has the meaning given in Article 17.5;

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

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

"Allocation Notice" shall have the meaning given in Article 13.7(b);

"Anti-Dilution Shares" shall have the meaning given in Article 7.1;

"Applicant" shall have the meaning given in Article 13.7(b);

"Appointer" shall have the meaning given in Article 23.1;

"Arrears" means in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that Share;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- (b) any Member of the same Group;
- (c) any Member of the same Fund Group;

"Auditors" means the auditors of the Company from time to time or, if no auditor is appointed, the accountants of the Company from time to time;

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

"Bad Leaver" means a person who:

- (a) ceases to be (or gives or is given notice to terminate their employment or consultancy as) an Employee as a consequence of that person's dismissal or termination as an Employee for gross misconduct, fraud, dishonesty or being convicted of any criminal offence (other than a road traffic offence which is not punishable by a custodial sentence) or any grounds which entitle the Company to summarily dismiss or immediately terminate the Employee's employment, office, consultancy or engagement as an Employee, or as a consequence of that person's resignation in such circumstances; and/or
- (b) after ceasing to be an Employee, commits a material breach of any non-compete obligations to the Company applicable under the Shareholders' Agreement or under such person's terms of engagement or employment as an Employee or otherwise, even if such Employee did not cease to be an Employee by reason of being a Bad Leaver on their departure date;

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

"Bonus Issue" or "Reorganisation" means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Ordinary Shareholders) or any issue of Anti-Dilution Shares pursuant to Article 7.2(a) or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company, in each case other than in respect of the grant of options under any Share Option Plan(s);

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

"Buyer" has the meaning given in Article 18.2(a);

"Called Securities Holder" has the meaning given in Article 19.5;

"Called Shares" has the meaning given in Article 19.2(a);

"Called Shareholder" has the meaning given in Article 19.1;

"Capitalised Sum" has the meaning given in Article 33.1(b);

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

"Common Liabilities" has the meaning given in Article 19.6(b)(ii);

"Company" means Planvine Ltd;

"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 CTA 2010;

"Continuing Shareholders" has the meaning given in Article 13.6(a);

"Contribution Obligations" has the meaning given in Article 19.6(b);

"Co-Sale Notice" has the meaning given in Article 18.2;

"CTA 2010" means the Corporation Tax Act 2010;

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

"Deferred Conversion Date" means the date that the Founder Shares convert into Deferred Shares pursuant to Article 16.1;

"Deferred Shares" means deferred shares of £0.001 each in the capital of the Company from time to time;

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

"Drag Along Notice" has the meaning given in Article 19.2;

"Drag Along Option" has the meaning given in Article 19.1;

"Drag Completion Date" has the meaning given in Article 19.8;

"Drag Consideration" has the meaning given in Article 19.4;

"Drag Documents" has the meaning given in Article 19.8;

"Drag Purchaser" has the meaning given in Article 19.1;

"Dragged Share Sale" has the meaning given in Article 19.1;

"Effective Termination Date" means the date on which the Employee's employment or consultancy terminates;

"electronic address" has the same meaning as in section 333 of the Act;

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

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

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

"Equity Holder" has the meaning set out in Article 18.2;

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;

"Equity Shares" means the Shares other than the Deferred Shares;

"Escrow" has the meaning set out in Article 19.14;

"Exercise Documents" has the meaning set out in Article 19.2(f);

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Expert" has the meaning set out in Article 34.8;

"Expert Valuer" is as determined in accordance with Article 14.2;

"Fair Value" is as determined in accordance with Article 14;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed

by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

"Financial Year" has the meaning set out in section 390 of the Act;

"Founders" means Barnaby Graham David Clark, Christopher Crossley and James Stilwell (each a **"Founder"**);

"Founder Directors" means the director(s) appointed by the Founders pursuant to Article 25.1;

"Founder Shares" in relation to a Founder means all Equity Shares held by:

- (a) the Founder in question; and
- (b) any Permitted Transferee of that Founder other than those Equity Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of that person's relationship with the Founder;

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

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

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

"hard copy form" has the same meaning as in section 1168 of the Act;

"Holding Company Notice" has the meaning given in Article 34.4;

"Holding Company Reorganisation" means any transaction involving the issue of shares in the capital of a New Holding Company to the Shareholders, the object or intent of which is to interpose the New Holding Company as the sole owner of the Company such that immediately subsequent to such transaction:

- (a) the membership, pro rata shareholdings and classes of shares comprised in the New Holding Company is substantially the same as that of the Company (excluding Treasury Shares) immediately prior to such transaction (save for the fact that such shares are issued by a different company);
- (b) the rights attaching to each class of share comprised in the New Holding Company are substantially the same as those rights attaching to the like class of share comprised in the share capital of the Company immediately prior to such transaction (save for the fact that such shares are issued by a different company and/or in a different jurisdiction with attendant differences in company law); and
- (c) the constitutional documents of the New Holding Company are the same in substantive effect as the articles of association of the Company immediately prior to such acquisition (save for the fact that they apply in respect of a different company, and as to matters and modifications to reflect that the New Holding Company may be incorporated in a jurisdiction other than England and Wales);

"Interested Director" has the meaning set out in Article 28.4;

"Investor Majority Consent" means the prior written consent of those Ordinary Shareholders, other than the Founders or their Permitted Transferees or persons connected with the Founders (within the meaning of section 252 of the Act), that hold in excess of 50 per cent of the Ordinary Shares (other than Founder Shares);

"IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the New York Stock Exchange or the Official List of the Financial Conduct Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003;

"Lead Investor" means LW Theatres Group Limited and its Permitted Transferees;

"Lead Investor Consent" means, so long as it holds at least one Equity Share, the prior written consent of the Lead Investor, provided that Lead Investor Consent shall only be required in respect of any applicable matter for the first five years after the Date of Adoption;

"Lead Investor Majority Consent" means the prior written consent of those Ordinary Shareholders other than the Founders or their Permitted Transferees that hold in excess of 50 per cent of the Ordinary Shares (other than Founder Shares) which must, until the fifth anniversary of the Date of Adoption and provided it holds at least one Equity Share, include the Lead Investor;

"Leaver's Percentage" means, in relation to and for the purposes of determining the number of Founder Shares that are required (pursuant to Article 16) to be converted into Deferred Shares as a result of a Founder ceasing to be an Employee within the period commencing on the Date of Adoption and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 49th month after the Date of Adoption and thereafter;

"Major Shareholder" means (i) a Shareholder holding at least 20% of the Equity Shares in issue and (ii) until the fifth anniversary of the Date of Adoption and provided it holds at least one Equity Share, the Lead Investor;

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

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

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

"a Member of the same Group" means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"Minimum Transfer Condition" has the meaning given in Article 13.2(d);

"Model Articles" has the meaning given in Article 1.1;

"NASDAQ" means the NASDAQ Stock Market of the NASDAQ OMX Group Inc.;

"New Holding Company" means a holding company of the Company newly incorporated in any jurisdiction which has no previous trading history and has resulted from a Holding Company Reorganisation;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 10.6) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

"New Shareholder" has the meaning set out in Article 19.12;

"Offer" has the meaning set out in Article 17.2;

"Offer Period" has the meaning set out in Article 17.3;

"Ordinary Shareholders" means the holders from time to time of the Ordinary Shares (but excludes the Company holding Treasury Shares);

"Ordinary Shares" means the ordinary shares of £0.001 each in the capital of the Company from time to time;

"Original Shareholder" has the meaning set out in Article 12.1;

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

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group; and
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group;

"Post-Reorganisation Shareholder" has the meaning set out in Article 34.3;

"Primary Holder" has the meaning set out in Article 29.8;

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

"Proposed Purchaser" has the meaning set out in Article 17.1;

"Proposed Reorganisation" has the meaning given in Article 34.1;

"Proposed Sale Date" has the meaning given in Article 17.3;

"Proposed Sale Notice" has the meaning given in Article 17.3;

"Proposed Sale Shares" has the meaning given in Article 17.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning given in Article 17.1;

"Qualifying Company" means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

"Qualifying Issue" has the meaning given in Article 7.1;

"Qualifying Person" has the meaning given in section 318(3) of the Act;

"Realisation Price" means the value of each Ordinary Share (excluding Treasury Shares) in issue immediately prior to an IPO, determined by reference to the price per share at which Ordinary Shares are to be offered for sale, placed or otherwise marketed pursuant to such IPO;

"Recipient" has the meaning set out in Article 31;

"Recipient Group Companies" has the meaning set out in Article 31;

"Relevant Interest" has the meaning set out in Article 28.4;

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

"Relevant Security" means any security, option, warrant, agreement or instrument which confers any right to subscribe for any share(s) in the capital of the Company (and the term **"Relevant Securities"** shall be construed accordingly);

"Reorganisation Actions" has the meaning given in Article 34.1;

"Restricted Person" means any person who is (i) in violation of any applicable law; (ii) engaged or interested in any business in competition with the business of the Company from time to time (whether alone or jointly with others, whether as principal, agent, shareholder or otherwise); or (iii) a Sanctioned Person;

"Sale Agreement" has the meaning set out in Article 19.2(e);

"Sale Information" has the meaning set out in Article 19.2(g);

"Sale Shares" has the meaning set out in Article 13.2(a);

"Sanctioned Person" means any person, organisation or vessel: (i) designated on the OFAC list of Specially Designated Nationals and Blocked Persons, or on any list of targeted persons issued under any trade, economic and/or financial sanctions laws, regulations, embargoes and restrictive measures administered, enacted or enforced from time to time or (ii) owned or controlled by, or acting on behalf of, any of the foregoing, (iii) located within or operating from a territory subject to a general export, import, financial or investment embargo;

"Seller" has the meaning set out in Article 13.2;

"Sellers' Shares" has the meaning set out in Article 19.1;

"Selling Founder" has the meaning set out in Article 18.1;

"Selling Shareholders" has the meaning set out in Article 19.1;

"Several Liabilities" has the meaning set out in Article 19.6(b)(i);

"Shareholder" means any holder of any Shares (but excludes the Company holding Treasury Shares);

"Shareholder Representative" has the meaning set out in Article 19.14;

"Shareholders' Agreement" means the shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company, the Founders and the Lead Investor (as defined therein);

"Shareholders Entitled" has the meaning set out in Article 33.1(b);

"Share Option Plan(s)" means any share option plan(s) of the Company, the terms of which have been approved by the Board;

"Shares" means the Ordinary Shares and Deferred Shares from time to time;

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

"Specified Price" has the meaning set out in Article 17.7;

"Starting Price" means £1.209363236 per Ordinary Share issued;

"Subscribers" has the meaning set out in Article 10.2;

"Subscription Agreement" means the subscription agreement dated on or around the Date of Adoption between, amongst others, the Company, the Founders and the Investors (as defined therein);

"Subscription Period" has the meaning set out in Article 10.2(a);

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act;

"Supplemental Consideration" has the meaning set out in Article 17.7;

"Transfer Notice" shall have the meaning given in Article 13.2;

"Transfer Price" shall have the meaning given in Article 13.2(c);

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

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

"Unvested" means those Founder Shares which may be required to be converted into Deferred Shares under Article 16.

3. **Share capital**

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Except as otherwise provided in these Articles, the Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 3.4 The Company may purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.
- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.6 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 3.7 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- (a) receive notice of or to attend or vote at any general meeting of the Company;
 - (b) receive or vote on any proposed written resolution; and
 - (c) receive a dividend or other distribution
- save as otherwise permitted by section 726(4) of the Act.
- 3.8 The Company shall be entitled to retain any share certificate(s) relating to Founder Shares while any such Shares remain Unvested.

4. **Dividends**

- 4.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if the Equity Shares constituted one class of share) pro rata to their respective holdings of Equity Shares.

- 4.3 Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Any payment of any Available Profits which the Company has determined to distribute pursuant to Article 4.2 or Article 4.3 shall be made to the holders of Equity Shares (pari passu as if the Equity Shares constituted one class of share) pro rata to their respective holdings of Equity Shares.
- 4.5 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 4.6 On an IPO, if the Company has insufficient Available Profits for distribution to pay any Arrears, the Company shall, by way of special dividend and in lieu of the accrued dividends the Company is prohibited from paying, allot to each holder of Shares by way of capitalisation of reserves such number of Ordinary Shares (disregarding any fraction of a share) as shall have an aggregate Realisation Price equal to the unpaid dividend.
- 4.7 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.8 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.9 Article 31(1) of the Model Articles shall be amended by:
 - (a) the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
 - (b) the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

5. **Votes in general meeting and written resolutions**

- 5.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 5.2 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 5.3 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 5.4 No voting rights attached to a share which is nil paid or partly paid may be exercised:
 - (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or

(b) on any proposed written resolution,

unless all of the amounts payable to the Company in respect of that share have been paid.

6. Consolidation of Shares

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

7. Anti-Dilution protection

- 7.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "Qualifying Issue") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless the Lead Investor shall have specifically waived its rights, issue to the Lead Investor a number of new Ordinary Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 7.3 (the "Anti-Dilution Shares"):

Broad-Based Weighted Average Ratchet

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

Where:

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

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

SIP = Starting Price

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

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

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

Z = the number of Ordinary Shares held by the Lead Investor prior to the Qualifying Issue.

7.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Lead Investor shall agree otherwise, in which event the Lead Investor shall be entitled to subscribe for the Anti-Dilution Shares in cash at par and the entitlement of the Lead Investor to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 7.1 so that the Lead Investor shall be in no worse position than if it had not so subscribed at par. In the event of any dispute between the Company and the Lead Investor as to the effect of Article 7.1 or this Article 7.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Lead Investor; and
- (b) subject to the payment of any cash payable pursuant to Article 7.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing Ordinary Shares, within five Business Days of the expiry of the offer being made by the Company to the Lead Investor and pursuant to Article 7.2(a).

7.3 In the event of any Bonus Issue or Reorganisation (other than a Bonus Issue or Reorganisation in which shares are issued as a result of the events set out in Article 10.6(b) or 10.6(d)), the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company and the Lead Investor within 15 Business Days after any Bonus Issue or Reorganisation. If the Company and the Lead Investor cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and the Lead Investor. The costs of the Auditors shall be borne by the Company.

7.4 For the purposes of this Article 7 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

8. Deferred Shares

8.1 Subject to the Act, any Deferred Shares may be redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).

8.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
- (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
- (c) purchase such Deferred Shares in accordance with the Act,

in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

8.3 No Deferred Share may be transferred without the prior consent of the Board.

9. Variation of rights

- 9.1 Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent. in nominal value of the issued shares of that class.
- 9.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights attached to an existing class of shares for the purposes of Article 9.1.

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

- 10.1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 10.2 Unless otherwise agreed by special resolution and with Lead Investor Majority Consent, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on the basis of the its pro rata share of the New Securities (fractional entitlements being rounded to the nearest whole number). The offer:
 - (a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities; and
 - (b) may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 10.3 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on the basis of such Subscriber's pro rata entitlement, which procedure shall be repeated until all New Securities have

been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).

- 10.4 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 10.5 Subject to the requirements of Articles 10.2 to 10.4 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 10.6 The provisions of Articles 10.2 to 10.4 (inclusive) shall not apply to:
- (a) options to subscribe for Ordinary Shares under the Share Option Plans and the allotment and issue of Ordinary Shares on exercise of such options;
 - (b) New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to the Anti-Dilution Shares;
 - (c) New Securities issued in consideration of the acquisition by the Company of any company or business with the prior written consent of the Board; and
 - (d) New Securities issued as a result of a Bonus Issue or Reorganisation.
- 10.7 Any New Securities offered under this Article 10 to a Shareholder may be accepted in full or part only by any Permitted Transferee of that Shareholder in accordance with the terms of this Article 10.
- 10.8 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.

11. Transfers of Shares – general

- 11.1 In Articles 11 to 19 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share unless otherwise indicated, but it does not include, in situations where the holder subscribed for or purchased the Equity Security as nominee for one or more beneficial owners:
- (a) the transfer, assignment or other disposal of a beneficial or other interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a beneficial or other interest in, an Equity Security provided that the nominee that holds a legal interest in such Equity Security remains the same; or
 - (b) the transfer, assignment or other disposal of a legal interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a legal interest in, an Equity Security from the nominee to (i) any person who has a beneficial or other interest in that Equity Security

and/or (ii) any person who is to hold such Equity Security for the relevant beneficial owner in substitution for the then registered legal shareholder, provided that notice of such transfer is given to the Company.

- 11.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 11.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles such transfer shall be null and void and, if so required by the Board, they will be deemed immediately to have served a Transfer Notice in respect of all Shares held by them.
- 11.4 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 19 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee free from Encumbrances.
- 11.5 The Board may refuse to register a transfer if:
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
 - (c) it is a transfer of a Share which is not fully paid:
 - (i) to a person of whom the Board does not approve; or
 - (ii) on which Share the Company has a lien;
 - (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
 - (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - (f) the transfer is in respect of more than one class of Shares;
 - (g) the transfer is in favour of more than four transferees;
 - (h) these Articles otherwise provide that such transfer shall not be registered; or
 - (i) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company (as determined by the Board acting reasonably and in good faith).

If the Board refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 11.6 The Board may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee (if they are not already a party to the Shareholders' Agreement) to execute and deliver

to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 11.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

11.7 To enable the Board to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Company may, if so determined by the Board, may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that, at the election of the relevant Shareholder, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of such Shareholder; or
- (b) the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in Articles 11.7(a) and 11.7(b) may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in Article 11.7(c).

11.8 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.

11.9 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a

Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;

- (b) it does not include a Minimum Transfer Condition (as defined in Article 13.2(d)); and
- (c) the Seller wishes to transfer all of the Shares held by it.

11.10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

- (a) the transferor; and
- (b) (if any of the shares is partly or nil paid) the transferee.

12. Permitted Transfers

12.1 A Shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise, save that no Founder may transfer more than 50 per cent of the Shares they held on the Date of Adoption under this Article 12.

12.2 Shares previously transferred as permitted by Article 12.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

12.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

12.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

12.5 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.

12.6 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.

12.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:

- (a) with the terms of the trust instrument and in particular with the powers of the trustees;

- (b) with the identity of the proposed trustees;
- (c) the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

12.8 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board) to have given a Transfer Notice in respect of such Shares.

12.9 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- (b) give a Transfer Notice to the Company in accordance with Article 13.2,

failing which he shall be deemed to have given a Transfer Notice.

12.10 On the death (subject to Article 12.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

12.11 A transfer of any Shares approved by the Board and with Lead Investor Majority Consent may be made without restriction as to price or otherwise and without being subject to the pre-emption rights pursuant to articles 10 and 13 or the co-sale rights pursuant to article 18, and with any such conditions as may be imposed and each such transfer shall be registered by the Directors.

12.12 The Lead Investor may transfer any of its Shares pursuant to the terms of the Shareholders' Agreement.

13. Transfers of Shares subject to pre-emption rights

13.1 Save where the provisions of Articles 12, 17, 18 or 19 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.

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

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- (c) the price at which he wishes to transfer the Sale Shares; and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**").

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

13.3 Except as provided for in Article 14.8 or with the consent of the Board and Investor Majority Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

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

13.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 14,

the Board shall offer the Sale Shares for sale to the holders of Equity Shares in the manner set out in Article 13.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13.6 *Transfers: Offer*

- (a) The Board shall offer the Sale Shares to all holders of Equity Shares other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- (b) If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Article 13.6 will be conditional on the fulfilment of the Minimum Transfer Condition.
- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be

repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

- (d) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 13.7(e).

13.7 Completion of transfer of Sale Shares

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 13.6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- (b) If:
 - (i) the Transfer Notice does not include a Minimum Transfer Condition; or
 - (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 13.6 and once the requirements of Articles 17 and/or 18 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 15 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- (d) If the Seller fails to comply with the provisions of Article 13.7(c):
 - (i) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (B) receive the Transfer Price and give a good discharge for it; and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
 - (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the

Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

- (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.7(f), the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- (f) The right of the Seller to transfer Shares under Article 13.7(e) does not apply if the Board is of the opinion on reasonable grounds that:
 - (i) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion (acting in good faith) is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

13.8 Any Sale Shares offered under this Article 13 to a Shareholder may be accepted in full or part only by a Permitted Transferee of that Shareholder in accordance with the terms of this Article 13.

14. Valuation of Shares

14.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 11.9 or 13.2 or otherwise then, on the date of failing agreement, the Board shall either:

- (a) appoint an expert valuer in accordance with Article 14.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or
- (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

14.2 The Expert Valuer will be either:

- (a) the Auditors; or
- (b) (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the joint application of the Company and the Seller. If the Seller fails to enter into the documentation necessary to make such application (within 15 Business Days of a request by the Company to do so), the Company's proposed appointee shall be the Expert Valuer.

14.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
- (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.

14.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.

14.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.

14.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).

14.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.

14.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

14.9 The cost of obtaining the certificate shall be paid by the Company unless:

- (a) the Seller cancels the Company's authority to sell; or
- (b) the Transfer Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

15. **Compulsory transfers – general**

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

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

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

If either requirement in this Article 15.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

15.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.

15.4 Subject to Article 15.5, if there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.

15.5 The Directors may not require a Transfer Notice to be given pursuant to Article 15 in respect of any change of control of the Lead Investor or any of its Permitted Transferees, provided that any such change of control does not result in a Restricted Person taking control of the relevant Shareholder.

15.6 This Article 15 shall not apply with respect to any Equity Shares held by Seedrs Nominees Limited

16. **Departing Founders**

Deferred Shares

16.1 Unless the Board determine that this Article 16.1 shall not apply, if at any time a Founder ceases to be an Employee by reason of being a Bad Leaver or subsequently becomes a Bad Leaver, all of the Founder Shares held by that Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date or such later date determined by the Board (rounded down to the nearest whole share).

16.2 Unless the Board determine that this Article 16.2 shall not apply, if at any time during the Relevant Period a Founder ceases to be an Employee by reason of being a Good Leaver, the Leaver's Percentage of the Founder Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest

whole share) save that if such Founder ceases to be an Employee within 12 months from the Date of Adoption all of such Founder Shares shall so convert.

- 16.3 Upon any such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Founder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.

17. **Mandatory Offer on a Change of Control**

- 17.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 15, after going through the pre-emption procedure in Article 13, the provisions of Article 17.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any person (the "**Proposed Purchaser**") (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 17.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 17.7).
- 17.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 17.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 17.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 17.6 The Proposed Transfer is subject to the pre-emption provisions of Article 13 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 13.
- 17.7 For the purpose of this Article:
- (a) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
 - (i) in the Proposed Transfer; or

- (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in Article 17.7(b), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**");

- (b) Relevant Sum = $C \div A$

where: A = number of Equity Shares being sold in connection with the relevant Proposed Transfer;

C = the Supplemental Consideration.

18. Co-Sale right

- 18.1 No transfer (other than a Permitted Transfer) of any of the Ordinary Shares relating to a Founder may be made or validly registered unless the relevant Founder and any Permitted Transferee of that Founder (each a "**Selling Founder**") shall have observed the following procedures of this Article unless the Board has determined that this Article 18 shall not apply to such transfer.

- 18.2 After the Selling Founder has gone through the pre-emption process set out in Article 13, the Selling Founder shall give to each other holder of Ordinary Shares who has not taken up their pre-emptive rights under Article 13 (an "**Equity Holder**") not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the "**Buyer**");
- (b) the price per share which the Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Equity Shares which the Selling Founder proposes to sell; and
- (e) the address where the counter-notice should be sent.

For the purposes of this Article 18, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Selling Founder were used to determine the valuation of the entire issued share capital of the Company.

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

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

where:

- X is the number of Equity Shares held by the Equity Holder;
- Y is the total number of Equity Shares held by the Equity Holders;
- Z is the number of Equity Shares the Selling Founder proposes to sell.

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

- 18.4 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Selling Founder shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Founder from the Buyer.
- 18.5 No sale by the Selling Founder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 18.6 Sales made in accordance with this Article 18 shall not be subject to Article 13.

19. Drag-along

- 19.1 If the holders of a majority of the Ordinary Shares (excluding Treasury Shares and any Shares held by a Shareholder who is, or is an Associate of, a Drag Purchaser, as defined below) (the "**Selling Shareholders**") agree, with Lead Investor Consent, to transfer all their interest in Shares (the "**Sellers' Shares**") to a third party bona fide proposed purchaser who has made an offer on arm's length terms (the "**Drag Purchaser**") (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser), the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**") to sell and transfer all their Shares to such Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) in accordance with the provisions of this Article 19 (such transfers of Shares by the Selling Shareholders and the Called Shareholders being the "**Dragged Share Sale**").
- 19.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company at any time before the transfer of the Sellers' Shares to the Drag Purchaser and the Company shall forthwith send a copy of the Drag Along Notice to the Called Shareholders. A Drag Along Notice shall specify:
- (a) that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
 - (b) the person to whom they are to be transferred;
 - (c) the consideration (whether in cash or equity) for which the Called Shares are to be transferred (calculated in accordance with Article 19.4);
 - (d) the proposed date of transfer;

- (e) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such Dragged Share Sale (the "**Sale Agreement**");
- (f) in respect of any Called Securities Holder (as defined below) only, any exercise notice or other documents (including any tax elections) which the Called Securities Holder may be required to sign in connection with the exercise of any options or other rights to subscribe, convert into or otherwise acquire (including but not limited to warrants) Shares ("**Exercise Documents**"); and
- (g) that information concerning the Called Shareholder which the Drag Purchaser reasonably requires in connection with the transfer of Called Shares (as may include information concerning (i) details of any account in the name of the Called Shareholder to which cash consideration may be paid (ii) the tax treatment of payments to be made to, or tax status of, the Called Shareholder (iii) the status of the Called Shareholder for the purposes of ascertaining the applicability of relevant securities laws and (iv) verification of the identity, ownership and control of the Called Shareholder and other information as may be required for anti-money laundering or other compliance purposes) ("**Sale Information**"),

(and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice).

- 19.3 Drag Along Notices shall be irrevocable but will lapse if the date for completion of the sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser does not occur within 60 Business Days (or such longer time period as may be proposed by the Selling Shareholders and approved by the Board and the Lead Investor) after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 19.4 The consideration (in cash or equity) for which each Selling Shareholder and each Called Shareholder shall transfer Shares pursuant to the Dragged Share Sale shall be a consideration per Share that at least equal to the highest price per Share offered or paid by the Drag Purchaser or any person Acting in Concert with the Drag Purchaser in any related transaction in the six months preceding the Drag Along Notice, calculated on a pro rata basis in reference to the total consideration payable in respect of all Shares to be transferred to the Drag Purchaser pursuant to the Dragged Share Sale (the "**Drag Consideration**").
- 19.5 A Drag Along Notice may be served on any person(s) (each a "**Called Securities Holder**") holding Relevant Securities, if and to the extent exercisable (or which would become exercisable in connection with the Dragged Share Sale and, if so served such Called Securities Holder shall, upon their acquisition of Shares, thereupon become a Called Shareholder subject mutatis mutandis to the provisions of this Article 19 (notwithstanding that they may not have been a Called Shareholder at the date of the Drag Along Notice).
- 19.6 The liabilities and obligations of a Called Shareholder under the terms of any Sale Agreement shall be limited to those matters as concern the Called Shareholder in their capacity as a holder of Called Shares, the transfer of Called Shares pursuant to the Dragged Share Sale and the payment of the consideration (and in the case of Seedrs Nominees Limited and the Lead Investor and its Permitted Transferees, shall be limited to the provision of warranties as to title to its Called Shares, and its capacity to sell such Called Shares only). Accordingly, the terms of the Sale Agreement may, inter alia, provide that:

- (a) a Called Shareholder warrants and undertakes to transfer their Called Shares to the Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) on the Drag Completion Date with full title guarantee free from all Encumbrances and that the Called Shareholder has power, capacity and authority to enter into the Sale Agreement and so transfer such Called Shares. A Called Shareholder shall not, however, be obliged to agree to: (i) give any representation, warranty or undertaking concerning, or any indemnity in respect of any liability of, the business and affairs of the Company's Group; nor (ii) unless such Called Shareholder is or has been an Employee, any restrictive covenant including, without limitation, any covenant not to compete or covenant not to solicit customers, employees or suppliers of any party to the Dragged Share Sale);
- (b) consideration paid (and/or payable) be subject to obligation(s) and arrangements (whether by means of escrow, holdback, reduction of consideration, contribution to the costs of any relevant insurance or contribution to transaction costs and expenses (including costs and expenses of any sellers' representative)) ("**Contribution Obligations**") with respect to:
 - (i) liabilities of (and tax withholdings and deductions (including, if applicable, amounts to be withheld in respect of employee income tax and social security contributions) arising in respect of consideration payable to) the Called Shareholder ("**Several Liabilities**"); and
 - (ii) any:
 - (A) price adjustment mechanisms (including any earn-out, 'locked box' or completion accounts adjustment); and/or
 - (B) liabilities (actual or potential, including any settlement) in respect of any representations, warranties, undertakings and/or indemnities given by any person(s),

in connection with the Dragged Share Sale (any or all of the foregoing being "**Common Liabilities**"), provided that the Sale Agreement provides for the following principles (howsoever expressed or effected):

- (I) the Contribution Obligations of a Called Shareholder with respect to Common Liabilities shall be satisfied only by way of reduction to the amount of any unpaid consideration (and not, for the avoidance of doubt, any repayment of consideration previously paid out). For the purpose of this provision, consideration held in escrow (or subject to any security interest of the Drag Purchaser or its nominee) shall not be treated as having been paid to the Called Shareholder even if the Called Shareholder is beneficially interested in such consideration; and
- (II) Contribution Obligations of a Called Shareholder in respect of Common Liabilities shall be no more onerous than the terms of the Contribution Obligations of other Selling Shareholders in respect of Common Liabilities; and
- (III) the liability of a Called Shareholder shall not exceed the amount of consideration received by such Called Shareholder in connection with the Dragged Share Sale, except with respect to claims related to fraud by such

Called Shareholder, the liability for which need not be limited as to such Called Shareholder.

- 19.7 The Sale Agreement may include such provisions as may be necessary or desirable to accommodate the inclusion of Called Securities Holders (if any) in the Dragged Share Sale (as may include provisions with respect to: (i) the exercise of options or other rights to subscribe, convert into or otherwise acquire (including but not limited to warrants) Shares (including the delivery of Exercise Documents), (ii) the satisfaction by the Called Securities Holder of their Several Liabilities in respect of the payment of any exercise price and any employee income tax and social security contributions arising in connection with their acquisition and/or sale of Shares, and (iii) the making of tax elections by the Called Securities Holder).
- 19.8 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice), each Called Shareholder shall deliver to the Company (which shall receive the same as agent on behalf of the Called Shareholder with authority to deliver the same to the Drag Purchaser on completion of the sale of Called Shares to the Drag Purchaser in accordance with the terms of the Sale Agreement (the "**Drag Completion Date**")):
- (a) duly executed Instrument(s) of Transfer for its Shares in favour of the Drag Purchaser;
 - (b) the relevant share certificate(s) (or a duly executed indemnity in favour of the Directors of the Company in respect of any lost, destroyed or missing certificate, in a form acceptable to the Board) in respect of its Shares;
 - (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company;
 - (d) in the case of a Called Securities Holder, duly executed Exercise Documents required to be provided by them; and
 - (e) the Sale Information, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "**Drag Documents**").
- 19.9 The Company (or its nominee) may receive, and give good receipt for, any consideration payable to any Called Shareholder in respect of the transfer of their Called Shares, which consideration shall be held by the Company (or its nominee) on trust for the benefit of such Called Shareholder. The Company shall be entitled to be paid from such consideration any amount otherwise due and payable by the Called Shareholder to the Company (including any payments due in connection with the exercise of any option to acquire Shares). The payment of the remaining balance of such consideration due to the relevant Called Shareholder may, in the sole discretion of the Board, be withheld pending the delivery of any Drag Document(s) and the ratification by the Called Shareholder of the transfer of their Called Shares and/or any act undertaken on behalf of (or deemed to be undertaken by) such Called Shareholder in accordance with this Article 19.9.
- 19.10 If a Called Shareholder fails to deliver the Drag Documents for their Shares to the Company by the Drag Completion Date, the Company (acting by any Director of the Company) shall be constituted the agent of such defaulting Called Shareholder with power and authority to take such actions and execute, enter into, and give effect to, any Drag Document(s), for and on behalf of and in the name of such defaulting Called Shareholder, in each case as Board may determine to be necessary or desirable to effect (or otherwise in connection with) the transfer of the Called Shareholder's Shares

pursuant to this Article 19 and the Board shall, if requested by the Drag Purchaser, so authorise any Director to effect the transfer of the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser (or, if so directed by the Drag Purchaser, a nominee of such Drag Purchaser) the Drag Completion Date. The Board shall authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid and the Instrument of Transfer and certificate (or indemnity in a form acceptable to the Board) in respect of the Shares so transferred delivered to the Company.

- 19.11 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 13.
- 19.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares (save to the extent the relevant Shares were sold as part of the Dragged Share Sale on the Drag Completion Date by the New Shareholder, whether as a Called Securities Holder or otherwise) so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place on the later of: (a) the Drag Along Notice being deemed served on the New Shareholder; and (b) completion of the Dragged Share Sale on the Drag Completion Date.
- 19.13 Whether or not a transfer of Called Shares is validly made in accordance with this Article 19 (including any determination as to whether a Sale Agreement satisfies the requirements of Articles 19.6 and 19.7 (including any determination as to what constitutes a Contribution Obligation and/or the Common Liabilities and/or whether the principles set out in Article 19.6(b) are satisfied)) shall be determined by the Board and (for so long as its consent is required pursuant to Article 19.1) the Lead Investor and, save in the event of fraud, such determination shall be final and binding on all persons.
- 19.14 In the event that the Selling Shareholders, in connection with the Dragged Share Sale, appoint a third party independent shareholder representative (a "**Shareholder Representative**") with respect to the establishment and management of any escrow or holdback fund in connection with any indemnification or breach of warranty under the Sale Agreement (the "**Escrow**"), each Called Shareholder shall be deemed to consent to (i) the appointment of such Shareholder Representative, (ii) the establishment of the Escrow and (iii) the payment of such Called Shareholder's applicable portion (from the Escrow) of any reasonable and properly incurred fees and expenses of such Shareholder Representative, in each case in connection with such Shareholder Representative's services and duties in connection with the establishment and management of such Escrow.

20. General meetings

- 20.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 20.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Ordinary Shares (excluding Treasury Shares), any resolution agreed to by such Qualifying Person shall

be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

- 20.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 20.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 20.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 20.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 20.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

21. Proxies

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

and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

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

22. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

23. Alternate Directors

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

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

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

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

23.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

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

23.5 Except as these Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors,

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

23.6 A person who is an alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
- (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).

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

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

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

23.9 An alternate Director's appointment as an alternate shall terminate:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a Director terminates.

24. Number of Directors

Unless and until the Company shall otherwise determine by ordinary resolution the number of Directors shall be not less than two. Unless and until the Company shall otherwise determine, the number of Directors shall not be more than seven.

25. Appointment of Directors

25.1 Each Founder, for so long as he remains an Employee, shall have the right to appoint and maintain in office himself as a director of the Company (and as a member of each and any committee of the Board) and to remove themselves as a director so appointed.

25.2 The Founders, acting together and provided that only a Founder that remains an Employee shall have the right set out in this Article 25.2, shall have the right to appoint and maintain in office up to two additional natural persons as such Founder(s) may from time to time nominate as a director(s) of the Company (and as a member(s) of each and any committee of the Board) subject to having first consulted the Lead Investor on the identity and bona fides of such nominees and to remove any director so appointed and, upon his/her removal whether by such Founders or otherwise, to appoint another director in his/her place (subject to having first consulted the Lead Investor on the identity and bona fides of such appointees).

25.3 The Lead Investor:

- (a) for so long as it (and its Permitted Transferees) holds not less than 5 per cent of the Ordinary Shares in issue from time to time, shall have the right to appoint and maintain in office up to two natural persons as it may from time to time nominate as directors of the Company (and as a member of each and any committee of the Board) subject to having first consulted with the Board on the identity and bona fides of such nominee; or
- (b) for so long as it (and its Permitted Transferees) holds not less than 2.5% and not 5% or more of the Ordinary Shares in issue from time to time (but holds at least one Ordinary Share), it shall have the right to appoint a representative to attend as an observer at each and any meeting of the Board (and each committee of the Board) who will be entitled to speak at any such meetings but will not be entitled to vote on any resolutions.

The Lead Investor shall have the right to remove any director or observer so appointed and, upon his/her removal whether by the Lead Investor or otherwise, to appoint another director or observer (as applicable) in his/her place.

- 25.4 An appointment or removal of a Director under Articles 25.1 to 25.3(b) will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

26. Disqualification of Directors

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (b) in the case of Directors, other than a Founder Director, if a majority of his co-Directors serve notice on him in writing, removing him from office.

27. Proceedings of Directors

- 27.1 The quorum for Directors' meetings shall be three Directors, which must include two Founder Directors. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 27.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 27.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 27.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before

or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

- 27.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 27.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 27.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

28. **Directors' interests**

Specific interests of a Director

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

- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

- 28.2 For the purposes of this Article 28, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 28.3 In any situation permitted by this Article 28 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

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

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 28.5 and 28.6, so far as is permitted by law, in respect of such Interested Director;
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 28.

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

- 28.5 Subject to Article 28.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 28), if a Director,

otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

28.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 28.5 shall apply only if the conflict arises out of a matter which falls within Article 28.1 or has been authorised under section 175(5)(a) of the Act.

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

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

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

Requirement of a Director to declare an interest

28.8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 28.1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- (a) falling under Article 28.1(g);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

28.9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 28.

28.10 For the purposes of this Article 28:

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

29. Notices

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

- (a) in hard copy form;
- (b) in electronic form; or
- (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),

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

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 29.

Notices in hard copy form

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

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

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

- (a) if delivered, at the time of delivery;
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

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

- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 29.2; or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (i) on its website from time to time; or
 - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.

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

- (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
- (c) if delivered in an electronic form, at the time of delivery; and
- (d) if sent by any other electronic means as referred to in Article 29.4(c), at the time such delivery is deemed to occur under the Act.

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

Notice by means of a website

29.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

- 29.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.
- 29.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

30. Indemnities and insurance

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

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

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

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 30.1(a)(i), 30.1(a)(iii)(B) and 30.1(a)(iii)(C) applying;

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a

director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

- 30.2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

31. **Data Protection**

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

32. **Secretary**

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

33. **Authority to capitalise and appropriation of capitalised sums**

- 33.1 The Board may, if authorised to do so by an ordinary resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "**Shareholders Entitled**").

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

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

- 33.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 33.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 33.5 Subject to the Articles the Board may:
- (a) apply Capitalised Sums in accordance with Articles 33.3 and 33.4 partly in one way and partly another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 33; and
 - (c) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 33.

34. New Holding Company

- 34.1 In the event of a Holding Company Reorganisation approved by the Board with Lead Investor Consent (a "**Proposed Reorganisation**"), each of the Shareholders shall (i) consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Reorganisation and (ii) take all such actions to tender their Shares as required pursuant to the Proposed Reorganisation (the "**Reorganisation Actions**"). The Shareholders shall be required to take all Reorganisation Actions with respect to the Proposed Reorganisation as are required by the Board to facilitate the Proposed Reorganisation. If any Shareholder fails to comply with the provisions of this Article 34, the Company shall be constituted the agent of each defaulting Shareholder for taking the Reorganisation Actions as are necessary to effect the Proposed Reorganisation and the Board may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents to effect the Proposed Reorganisation, including any share exchange agreement and/or Instrument of Transfer.
- 34.2 The Company shall procure that the shares issued by the New Holding Company to the Shareholders (or any subsequent holder, as the case may be) pursuant to the Holding Company Reorganisation will be credited as fully paid as to the amount determined in accordance with this Article 34. Such New Holding Company shares shall be subject to the constitutional documents of the New Holding Company and otherwise (subject to the express provisions of such constitutional documents) shall have the same rights and obligations as all other New Holding Company shares of the same class in issue at the time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of issue of such New Holding Company shares).
- 34.3 On any person, following the date of completion of a Holding Company Reorganisation, becoming a Shareholder pursuant to any Relevant Securities or otherwise (a "**Post-Reorganisation Shareholder**"), the Post-Reorganisation Shareholder shall then be bound to do all such acts and things necessary in order to transfer to the New Holding Company all such resulting shares held by the Post-Reorganisation Shareholder, and the provisions of this Article 34 shall apply with the necessary changes to the Post-Reorganisation Shareholder.
- 34.4 The Company shall procure that, in respect of each Major Shareholder (except as otherwise agreed in writing by such Major Shareholder, acting reasonably):

- (a) it provides not less than 20 Business Days' prior written notice to the Major Shareholders of any Proposed Reorganisation (the "**Holding Company Notice**"); and
 - (b) following the date of the Holding Company Notice, it consults with such Major Shareholders in good faith and provides such information reasonably requested by such Major Shareholders in respect of such Proposed Reorganisation.
- 34.5 Any New Holding Company that is to be created for the purposes of a Proposed Reorganisation shall be incorporated in a jurisdiction where the courts of such jurisdiction respect the limited liability of the underlying partners, members, shareholders and/or any other beneficial owners of each shareholder of that New Holding Company to substantially the same extent as the jurisdiction of a Major Shareholder's formation.
- 34.6 Article 34.1 shall not apply in respect of any of the Major Shareholders (except as otherwise agreed in writing by all Major Shareholders, acting reasonably) if it is determined pursuant to Articles 34.7 to 34.9 that any taxes will be payable and/or any tax filings will be required to be submitted by any one or more Major Shareholders or any one or more of their respective underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its respective Shares to the New Holding Company and in such event, the Company and the Major Shareholders will discuss in good faith to find alternative ways to assess how to structure such Proposed Reorganisation in a manner acceptable to each of them in writing.
- 34.7 If, in a Major Shareholder's reasonable opinion following written advice from its legal adviser, accountant or tax adviser (as the case may be), such Major Shareholder determines that any taxes will be payable and/or any tax filings will be required to be submitted by such Major Shareholder or its underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its Shares to the New Holding Company:
 - (a) such Major Shareholder shall as soon as reasonably practicable notify the Company in writing and provide a copy of such written advice from its legal adviser, accountant or tax adviser (as the case may be) to the Company on a non-reliance basis;
 - (b) the Company and each relevant Major Shareholder will discuss in good faith for a period of up to 15 Business Days (as may be extended between the Company and such Major Shareholder) following receipt of such written notice in Article 34.7(a) to find alternative ways to assess how to structure such Proposed Reorganisation in a manner acceptable to each of them in writing.
- 34.8 In the event that any Major Shareholder(s) and the Company cannot agree as to whether any taxes will be payable and/or whether any tax filings will be required to be submitted by any such Major Shareholder or its underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its Shares to the New Holding Company and/or how to structure the relevant Proposed Reorganisation upon the expiry of the time limit set out in Article 34.7, the Company and the relevant Major Shareholder(s) shall appoint an expert to determine such tax treatment and opine on how to structure the relevant Proposed Reorganisation in accordance with Article 34.9 (the "**Expert**").
- 34.9 The Expert will be one of the Big 4 independent firms of Chartered Accountants in England and Wales to be agreed in writing between the Company and the relevant Major Shareholder(s) or, failing agreement in writing of such firm not later than the date 5 Business Days after the expiry of the time limit set out in Article 34.7, an independent firm of Chartered Accountants to be nominated by the then President of the Institute of Chartered Accountants in England and Wales following a joint application by both the

Company and one or more of the relevant Major Shareholder. Such Expert shall be requested to (a) determine the tax treatment of the Proposed Reorganisation in respect of the relevant Major Shareholder's Shares and opine on how to structure the relevant Proposed Reorganisation within 20 Business Days of its appointment based on any factors which such Expert reasonably believes should be taken into account and (b) notify the Board of their determination. The Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error). The Board will give the Expert access to all accounting records or other relevant documents of the Company subject to the Expert agreeing such confidentiality provisions as the Board may reasonably impose. The Expert shall deliver its certificate to the Company and the relevant Major Shareholder(s). The cost of obtaining the certificate shall be paid by the Company.