

Company number: 07661485

THURSDAY



THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS

- of -

TECHNOLOGY WILL SAVE US LIMITED

(the "Company")

Pursuant to section 288 of the Companies Act 2006 (the "2006 Act")
passed on 25 January 2018

The following resolutions were duly passed pursuant to Chapter 2 of Part 13 of the 2006 Act on 25 January 2018 by members of the Company representing the required majority of total voting rights of eligible members as, in respect of resolution 1, an ordinary resolution, and in respect of resolutions 2 and 3, special resolutions:

ORDINARY RESOLUTION

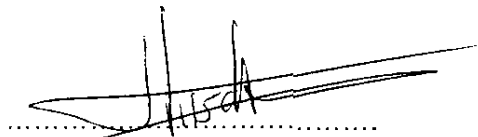
1. **THAT** the directors be generally and unconditionally authorised for the purposes of section 551 of the 2006 Act to exercise all the powers of the Company to allot Seed 2 Preferred shares in the Company of £0.00001 each in the capital of the Company, being a new class of shares in the Company created under the New Articles, up to a maximum nominal amount of £1.825, provided that:
 - a. the authority granted under this resolution shall expire five years after the passing of this resolution; and
 - b. the directors of the Company may, before such expiry under paragraph (a) above of this resolution, make an offer or agreement which would require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the directors may allot such shares or grant such rights (as the case may be) in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all subsisting authorities to allot shares in the Company to the extent unused.

SPECIAL RESOLUTIONS

2. **THAT** subject to the passing of resolution 1 above, all and any rights of pre-emption arising under the articles of association of the Company, the 2006 Act or otherwise, be and hereby are waived in respect of the allotment and issue of up to 182,500 Seed 2 Preferred Shares or such other classes of share of £0.00001 each in the capital of the Company.

3. **THAT** subject to the passing of resolutions 1 and 2 above, the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association (the "**New Articles**").

A handwritten signature in black ink, appearing to be 'J. H. S. A.', is written over a horizontal dotted line.

Director

For and on behalf of the **Company**

The Companies Act 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

of

TECHNOLOGY WILL SAVE US LIMITED

(Adopted by written special resolution on *25 January* 2018)

1 Interpretation

1.1 In these Articles the following expressions have the following meanings unless expressly defined otherwise

"**Acting in Concert**" bears the meaning given to it in The City Code on Takeovers and Mergers and the Rules Governing Substantial Acquisitions of Shares published by the Panel on Takeovers and Mergers (as amended from time to time),

"**Anti-Dilution Shares**" shall have the meaning given in Article 8.1,

"**Approved Convertible**" means any instrument or security:

(i) issued by the Company, which may convert into, or otherwise be exercisable over or contain rights to subscribe for or be allotted, Shares, including without limitation any convertible loan note, warrant or option of the Company; and

(ii) which has been designated by the Board, with consent of the Investor Majority, to be an "Approved Convertible" for the purposes of these Articles, such consent deemed given where such consent of the Investor Majority includes an Investor Director,

"**Articles**" means these Articles of Association, whether as originally adopted or as from time to time altered by special resolution,

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

"Auditors" means the auditors of the Company for the time being or, if the Company has lawfully not appointed auditors, its accountants for the time being, or, if in either case such firm is unable or unwilling to act in any particular case, such firm of chartered accountants as may be agreed between the directors of the Company and the proposing transferor (as defined in Article 10.1) or, in default of agreement, as may be appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or any successor body,

"Available Profits" means profits available for distribution within the meaning of part 23 of the CA 2006,

"Board" means the board of directors of the Company from time to time acting by the resolution of a duly convened and quorate meeting,

"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 Series Seed Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares (other than Series Seed Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than any Permitted Issuance,

"Business Days" means any day other than a Saturday, Sunday or English bank holiday,

"CA 2006" means the Companies Act 2006 and any statutory modification or re-enactment thereof from time to time in force,

"Cause" means:

the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's (a) gross negligence, gross misconduct or a material or repudiatory breach of the terms of his employment agreement or any other agreement with the Company, including any material breach of obligations to the Company concerning confidentiality or intellectual property or non-compliance with non-compete obligations; (b) fraud or acts of dishonesty; or (c) being convicted on indictment of any criminal offence which gives rise to a custodial sentence,

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

"communication" has the same meaning as in the Electronic Communications Act 2000,

"Controlling Interest" means an interest in Shares conferring in the aggregate 50% or more of the total voting rights conferred by all the issued Shares in the Company,

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

"Date of Issue" means the date on which a Share is issued and at the holder's name is written up in the Company's register of members,

"Deferred Shares" means the deferred shares of £0.00001 each in the capital of the Company having the rights and being subject to the restrictions ascribed to them in these Articles,

"directors" means the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company,

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

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

"Employee Benefit Trust" means any trust set up by the Company from time to time following a recommendation of the directors to hold Ordinary Shares and to transfer them (or to grant options to acquire them) to employees, officers or consultants of the Company,

"Employee Member" means a holder of Shares who is or has been a director and/or an employee of and/or a consultant to the Company or any of its subsidiaries (other than an Investor Observer or an Investor Director),

"Equity Shares" means the Ordinary Shares, the Seed 1 Shares and the Seed 2 Shares;

"executed" means any mode of execution,

"Fair Value" shall have the meaning given in Article 13.5.7;

"Family Trust" means any trust which permits the settled property or the income therefrom to be applied only for the benefit of

- (a) the settlor and/or a Privileged Relation of that settlor, or
- (b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the

income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities),

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor. For the purposes of this definition "**settlor**" includes a testator or an intestate in relation to a Family Trust arising respectively under a settlement, testamentary disposition or an intestacy of a deceased member,

"Financial Year" has the meaning set out in section 390 of CA 2006,

"Founders" means Bethany Koby-Hirschmann and Daniel Hirschmann,

"Founder Shares" means any shares in the capital of the company beneficially owned, either directly or indirectly, by the Founders and any Permitted Transferee of the Founders,

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

"Group" means any subsidiary of any corporate member and any holding company of any corporate member or any other subsidiary of any holding company of such corporate member and references to "**members of the Group**" shall be construed accordingly,

"holder" in relation to Shares means the member whose name is entered in the register of members as the holder of the Shares,

"holding company" has the meaning set out in section 1159 CA 2006,

"Initial Capital" means Initial Capital SV LP, a limited partnership registered in Jersey (registration number 2047) whose registered office is at First Island House, Peter Street, St Helier, Jersey JE2 4SP,

"Investment Agreement" means an investment and shareholders' agreement relating to the Company between the Founders (1), the Company (2) and the Existing Shareholders (3) and the New Investors (as defined therein) (4) to be entered into on or around the date of adoption of these Articles,

"Investment Date" means the date of the Investment Agreement,

"Investors" has the meaning set out in the Investment Agreement,

"Investor Director" means a director appointed pursuant to Article 22.5,

"Investor Majority" means the holders of not less than 50% in nominal value of the Shares held by the Investors, including at least one holder of Seed 2 Shares, who was not a Shareholder prior to Completion,

"Investor Observer" means any observer of the Company appointed from time to time pursuant to Article 22.6,

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

"Issue Price" in relation to any Share means the amount paid up or credited as paid up on it (including the full amount of any premium at which such Share was issued whether or not such premium is applied for any purpose after that),

"Lead Investor" has the meaning given in the Investment Agreement,

"Leaver's Percentage" means, in relation to and for the purposes of determining the number of Founder Shares that are required to be transferred 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:

$$(75 - ((1/36 \times 75) \times NM)) - P,$$

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 37th month after the Date of Adoption and thereafter, and

P = $(12/36 \times 75)$ where the Founder in question has ceased to be an Employee as a result of being lawfully dismissed for Poor Performance. In all other circumstances P shall be zero,

"Major Shareholders" means:

(i) holder(s) of Series Seed Shares issued on or after 27 June 2017; and

(ii) any other holder(s) of Shares that the Board may in its discretion resolve to designate as Major Shareholders from time to time (and in doing so the Board may have regard to such

factors as it considers appropriate including without limitation timing requirements, expediency of process and levels of previous participation),

"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 (**Investment Fund**) or a nominee of that Investment Fund:

(i) 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);

(ii) any Investment Fund managed by the Fund Manager;

(iii) any parent or subsidiary of that Fund Manager, or any subsidiary of any parent of that Fund Manager; or

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

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of these Articles,

"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 of these Articles (other than shares or securities issued as a result of a Permitted Issuance) excluding for the avoidance of doubt any Treasury Shares transferred by the Company,

"office" means the registered office of the Company,

"Ordinary Shares" means the ordinary shares of £0.00001 each in the share capital of the Company having the rights and being subject to the restrictions ascribed to them in these Articles,

"Permitted Issuance" means:

(i) Shares issuable upon exercise or conversion of an Approved Convertible,

(ii) Shares to be issued to any Employee Benefit Trust,

(iii) Shares which the Board has, with the consent of the Investor Majority, agreed should be issued without complying with the procedure set out in Article 3.3,

(iv) Shares to be allotted to any Employee Member, consultant to or director of the Company pursuant to any Share Plan approved by an Investor Majority in accordance with the terms of the Investment Agreement,

(v) Shares or warrants or other securities exercisable or exchangeable for, or convertible into, Shares, to banks, equipment lessors or other financial institutions pursuant to a debt financing or equipment leasing transaction,

(vi) Shares, or warrants or other securities exercisable or exchangeable for, or convertible into, Shares, issued pursuant to a bona fide acquisition of another entity by the Company by merger or consolidation with, purchase of substantially all of the assets of, or purchase of more than fifty per cent of the outstanding equity securities of, the other entity, or issued pursuant to a bona fide joint venture agreement,

(vii) Shares, or warrants or other securities exercisable or exchangeable for, or convertible into, Shares, issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships,

(viii) Shares or other equity securities in which an Investor Majority subscribes for such Shares or equity securities pro rata to their shareholdings in the Company prior to such issuance;

(ix) any reorganisation of the Shares, and

(x) Shares issued on a Qualifying IPO;

provided, however, that each such event in clauses (iv), (v), and (vi) is approved by the Board, with the consent of at least one Investor Director,

"Permitted Transfer" means a transfer of Shares authorised by Article 10 and **"Permitted Transferee"** shall be construed accordingly,

"Poor Performance" means a Founder's refusal or failure to substantially perform his or her duties and responsibilities to the Company lawfully prescribed to him or her by the Board after reasonable notice of such failure and a reasonable opportunity to cure such failure, subject to the consent of an Investor Director and an independent third party appointed by the Board (with the consent of at least one Investor Director),

"Privileged Relation" in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children,

"Qualifying IPO" means an IPO in which the net aggregate subscription amount in respect of new Ordinary Shares issued at the time of the IPO is not less than \$50,000,000 at an issue

price per Ordinary Share of at least 10 times the Starting Price (subject to appropriate adjustment following any Bonus Issue or Reorganisation) and with the admission of the shares of the Company or securities representing those shares on NASDAQ, the Official List of the United Kingdom Listing Authority or on the AIM Market operated by the London Stock Exchange Plc,

"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,

"relevant officer" means any director or other officer of the Company or an associated company, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

"Relevant Period" means 36 months from the Date of Adoption,

"Rights" means rights to subscribe for, or to convert any security into, any Shares,

"seal" means the common seal of the Company (if any),

"secretary" means the secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,

"Seed 1 Shares" means the Seed 1 shares of £0.00001 each in the share capital of the Company having the rights and being subject to the restrictions ascribed to them in these Articles,

"Seed 2 Majority" means the holder(s) of a majority of the Seed 2 Shares in issue from time to time,

"Seed 2 Shares" means the Seed 2 shares of £0.00001 each in the share capital of the Company having the rights and being subject to the restrictions ascribed to them in these Articles,

"Series Seed Majority" means the holder(s) of a majority of the Series Seed Shares in issue from time to time;

"Series Seed Dividend" has the meaning given in Article 5.4,

"Series Seed Shares" means the Seed 1 Shares and the Seed 2 Shares,

"Share Plan" means any scheme for the grant of HM Revenue & Customs approved or unapproved share options or Enterprise Management Incentive share options pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003 to employees or officers of or consultants to the Company or any subsidiary of the Company established and amended from time to time,

"Shares" means those shares comprising the entire issued share capital of the Company from time to time (and **"Share"** shall be construed accordingly),

"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) or any member of the Group 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 or any member of the Group (as the case may be), 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,

"Starting Price" means the Issue Price of the share in question (if applicable, adjusted as referred to in Article 8.3),

"subsidiary" has the meaning set out in section 1159 CA 2006,

"United Kingdom" means Great Britain and Northern Ireland,

"Unvested Shares" means those Founder Shares which are not Vested Shares and may be required to be transferred under Article 13,

"Vested Shares" means any Founder Shares which are not Unvested Shares,

"Voluntary Resignation" means the relevant person's resignation as an Employee at any time during the Relevant Period, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect,

and

"500Startups" means 500 STARTUPS IV, L.P., of 444 Castro Street, #1200, Mountain View, CA 94041, USA.

Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in CA 2006 have the same meanings in these Articles.

- 1.2 Headings in these Articles are for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1.4.1 any subordinate legislation from time to time made under it, and
- 1.4.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.5 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 References in these Articles to "written" or "in writing" include transmission by email or fax.
- 1.7 The Model Articles apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 44(2) 49, 52 and 53 of the Model Articles do not apply to the Company

2 Liability of the members

- 2.1 The liability of the members is limited to the amount, if any, unpaid on the Shares held by them

3 Share capital

- 3.1 Subject to the remaining provisions of this Article 3, the directors are generally and unconditionally authorised, for the purposes of section 551 of the CA 2006 and generally, to exercise any power of the Company to:
- 3.1.1 offer or allot;
- 3.1.2 grant rights to subscribe for or to convert any security into;
- 3.1.3 otherwise deal in, or dispose of,
- any Shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

- 3.2 The authority referred to in Article 3.1:
- 3.2.1 shall be limited to a maximum nominal amount of £1.825;
- 3.2.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and
- 3.2.3 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 3.3 Save in respect of any Permitted Issuance or where a special resolution of the Company has been passed to dis-apply this Article 3.3, all Shares which the directors propose to issue shall be dealt with in accordance with the following provisions of this Article 3.3:
- 3.3.1 any Shares proposed to be issued shall first be offered pro rata to the Major Shareholders, in proportion to the number of existing Shares held by them respectively,
- 3.3.2 each such offer shall be made by notice specifying the total number of Shares being offered to the Major Shareholders as a whole, the proportionate entitlement of the member to whom the offer is made and the price per Share (which shall be the same for each Share) and shall require each Major Shareholder to state in writing within a period (not being less than fourteen days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said Shares he is willing to take up (up to his proportionate entitlement),
- 3.3.3 an offer if not accepted within the period specified in the notice as regards any Shares, will be deemed to be declined as regards those Shares. After the expiration of such period, any Shares so deemed to be declined (or actually declined) by the Major Shareholders shall be offered in the proportion aforesaid to the Major Shareholders who have, within the said period, accepted all the Shares offered to them,
- 3.3.4 pursuant to such offer and further offer made in accordance with this Article 3.3 no fractions of Shares shall be issued and where any shareholder would be entitled to a fraction of a share, the directors shall in their absolute discretion determine how such fractions of Shares shall be allocated amongst the shareholders so as to ensure that only whole Shares are issued,
- 3.3.5 any Shares not taken up following such offer and further offer made in accordance with this Article 3.3 and any Shares released from the provisions of this Article 3.3

by consent of the Investor Majority in accordance with this Article 3.3 shall be under the control of the directors, who may allot Shares or grant Rights to such persons, on such terms, and in such manner as they think fit.

3.4 Pursuant to section 567 CA 2006, the provisions of section 561 CA 2006 (existing shareholders' right of pre-emption) and section 562 CA 2006 (communication of pre-emption offers to shareholders) shall not apply to an allotment of equity securities (as defined in section 560 CA 2006) made by the Company.

3.5 Any Approved Convertible shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person has been approved in writing by an Investor Majority in accordance with Article 9.2.

3.6 Variation of Class Rights

Whenever the share capital of the Company is divided into different classes of share, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of winding-up) with the consent in writing of the holders of shares of that class carrying more than three-fourths of the total voting rights exercisable by the holders of issued shares of that class.

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 Save where Article 5.4 applies, any Available Profits which the Company may determine, with consent of the Investor Majority, 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 CA 2006 and these Articles, the Board may, provided consent of the Investor Majority is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.

4.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.

4.5 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.

4.6 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.

4.7 A capitalised sum which was appropriated from profits available for distribution (which are not required for the Series Seed Dividend may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.

4.8 If:

(a) a Share is subject to the Company's lien; and

(b) the directors are entitled to issue a notice enforcing the Company's lien in respect of it,

they may, instead of issuing such a notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under such notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share and/or used to discharge any other indebtedness owing from the holder of that Share to the Company (as the Board may decide). The Company shall notify the distribution recipient in writing of

(i) the fact and sum of any such deduction;

(ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

(iii) how the money deducted has been applied.

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 Priority payment

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

5.1.1 where, on any such distribution or return of capital, the amount available for distribution to the holders of the Shares in accordance with Article 5.1.2 would result in the holders of the Series Seed Shares receiving less than the Issue Price per Series Seed Share

- (i) first in paying to the holders of the Series Seed Shares, in priority to any other class of Shares, an amount per Series Seed Share held equal to the Issue Price of such share and any declared but unpaid dividends, together with, in the case of the Series Seed Shares, any applicable Series Seed Dividend;
- (ii) second in paying to the holders of the Deferred Shares, if any, a total of £1 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- (iii) third, the remaining balance of any surplus assets shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held by them, and

5.1.2 in any other case

- (i) first, in paying to the holders of the Deferred Shares, if any, a total of £1 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares), and
- (ii) second, the remaining balance of any surplus assets shall be distributed among the holders of the Equity Shares pro rata to the number of Equity Shares held by them.

5.2 On a Share Sale the consideration payable (including any deferred and/or contingent consideration) whether in case or otherwise to selling shareholders (less applicable costs) shall be distributed in the order of priority set out in Article 5.1 (and that the directors of the Company shall not be permitted to register any transfer of shares in the Company if such consideration is not so distributed).

5.3 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5.1 (save to the extent restricted by applicable law, in which case the Company and its members shall procure that the Company is put into liquidation in such a manner as to observe the order of priority set out in Article 5.1).

5.4 The Company will, subject to a resolution of the Board and before application of any profits to reserve or for any other purpose, pay in respect of each Series Seed Share a fixed non-

cumulative cash preferential dividend (the "**Series Seed Dividend**") at the annual rate of 5% of the Issue Price per Series Seed Share as determined from the Date of Issue, any such Series Seed Dividend being payable only on a distribution made pursuant to Article 5.1 or 5.2 to the person registered as its holder on the relevant date.

6 Conversion of Series Seed Shares

- 6.1 Any holder of Seed 2 Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the fully paid Seed 2 Shares held by them at any time and those Seed 2 Shares shall convert automatically on the date of such notice (the "**Conversion Date**"), provided that the holder may in such notice, state that conversion of its Seed 2 Shares into Ordinary Shares is conditional upon the occurrence of one or more events (the "**Conditions**").
- 6.2 All of the fully paid Series Seed Shares shall automatically convert into Ordinary Shares:
- 6.2.1 on the date of a notice given by a Seed 2 Majority (which date shall be treated as the Conversion Date); or
- 6.2.2 immediately upon the occurrence of a Qualifying IPO.
- 6.3 In the case of (i) Articles 6.1 and 6.2, not more than five Business Days after the Conversion Date or (ii) in the case of Article 6.2.1, at least five Business Days prior to the occurrence of the Qualifying IPO, each holder of the relevant Series Seed Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series Seed Shares being converted to the Company at its registered office for the time being.
- 6.4 Where conversion is mandatory on the occurrence of a Qualifying IPO, that conversion will be effective only immediately prior to and conditional upon such Qualifying IPO (and "**Conversion Date**" shall be construed accordingly) and, if such Qualifying IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred. In the event of a conversion under Article 6.1, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 6.5 On the Conversion Date, the relevant Series Seed Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series Seed Share held (the "**Conversion Ratio**"), and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 6.6 The Company shall on the Conversion Date enter the holder of the converted Series Seed Shares on the register of members of the Company as the holder of the appropriate number

of Ordinary Shares and, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series Seed Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Series Seed Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.

6.7 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to holders of the Series Seed Shares falling to be converted a dividend equal to all arrears and accruals of dividends in relation to those Series Seed Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such arrears and accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any arrears and accruals of dividends that remain outstanding shall continue to be at debt due from and immediately payable by the Company.

6.8 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:

6.8.1 if Series Seed Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board, with the consent of at least one Investor Director, is fair and reasonable, to maintain the right to convert so as to ensure that each Series Seed Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;

6.8.2 if Series Seed Shares remain capable of being converted into Ordinary Shares, on an allotment of fully paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board, with the consent of at least one Investor Director, is fair and reasonable, to maintain the right to convert so as to ensure that each Series Seed Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

6.9 If any Series Seed Shareholder becomes entitled to fractions of an Ordinary Share as a result of conversion ("**Fractional Holders**"), the directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net Proceeds of Sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the

Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

6.10 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with Article 6.8, or if so requested by an Investor Majority, the Board shall refer the matter to the Auditors for determination who shall make available to all shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.

6.11 If Series Seed Shares remain capable of being converted into new Ordinary Shares and Ordinary Shares are offered by the Company by way of rights to holders of Ordinary Shares (an **"Offer By Way of Rights"**), the Company shall on the making of each such Offer, make a like Offer to each Series Seed Shareholder as if immediately before the record date for the Offer By Way Of Rights, his Series Seed had been converted into fully paid Ordinary Shares at the then applicable Conversion Ratio.

7 Deferred Shares

7.1 The rights attaching to the Deferred Shares shall be as follows:

7.1.1 the holders of the Deferred Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company or receive a copy of and vote on any written resolution of the members of the Company,

7.1.2 the Deferred Shares shall have no right to participate in any dividend declared by the Company,

7.1.3 the Deferred Shares may be redeemed by the Company at any time at its option for £1.00 for all the Deferred Shares registered in the name of any holder without obtaining the sanction of the holder or holders

7.2 The creation, allotment or issue of Deferred Shares shall be deemed to confer irrevocable authority on the Board at any time after their creation, allotment or issue to appoint any person to execute or give on behalf of the holder of those shares a transfer of them to such person or persons as the Company may determine

8 Anti-Dilution protection

8.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a **"Qualifying Issue"**) (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the

allotment of the New Securities) then the Company shall, unless and to the extent that any of the holders of Series Seed Shares shall have specifically waived their rights under this Article in writing, issue to each holder of Series Seed Shares (the "**Exercising Investor**") a number of new Series Seed Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 8.2.1 (the "**Anti-Dilution Shares**"):

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

Where:

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

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

SIP = Starting Price

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

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

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

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

8.2 The Anti-Dilution Shares shall:

8.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise (such majority to include any holders of Series Seed Shares who are Exercising Investors), in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by consent of an Investor Director) and the entitlement of such Exercising Investors to Anti-

Dilution Shares shall be increased by adjustment to the formula set out in Article 8 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 8.1 or this Article 8.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and

8.2.2 subject to the payment of any cash payable pursuant to Article 8.2.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Series Seed Shares, within five Business Days of the expiry of the Offer being made by the Company to the Exercising Investor and pursuant to Article 8.2.1.

8.3 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Investor Majority within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Investor Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the shareholders. The costs of the Auditors shall be borne by the Company.

8.4 For the purposes of this Article 8 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

9 Investor Consent Matters

9.1 Each of the Founders shall exercise all voting rights and powers of control available to him in relation to the Company (and each and every member of the Group) to procure that:

9.1.1 save with the prior written consent of an Investor Majority, the Company (and each and every member of the Group) shall not effect or propose any Reserved Matter; and

9.1.2 save with the prior written consent of an Investor Majority, it shall not effect or propose any Reserved Matter and shall procure, so far as it is able, that no member of the Group shall effect or propose to effect any Reserved Matter.

9.2 As a separate obligation, severable from the obligations in Article 9.1, the Company agrees that save with the prior written consent of an Investor Majority, it shall not effect or propose any Reserved Matter and shall procure, so far as it is able, that no member of the Group shall effect or propose to effect any Reserved Matter.

9.3 For the purposes of Articles 9.1 and 9.2, the following shall be a "**Reserved Matter**":

9.3.1 "negotiate, permit or take any materials steps to implement a disposal of shares in the

Company or sale of assets of the Company or any member of the Group that would amount to a Share Sale, Asset Sale or an IPO (where IPO refers to the admission of all or any of the shares of the Company or securities representing those shares on NASDAQ, the Official List of the United Kingdom Listing Authority or on 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); and

9.3.2 “creation or grant of any Approved Convertibles”.

10 Transfer of Shares – transfer procedure

10.1 Subject to Articles 10.12, 11 (prohibited transfers), 12 (permitted transfers), 13 (departing founder), 14 (drag along), 15 (tag along), or 16 (co-sale) any person other than an Investor (“**proposing transferor**”) proposing to transfer any Shares shall give notice in writing (“**transfer notice**”) to the Company that he desires to transfer the same and specifying the price per Share at which he is willing to sell them. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the Shares comprised in the transfer notice together with all rights then attached thereto the members of the Company willing to purchase the same (“**purchasing members**”) at the price specified therein or if no price is specified then such price as is certified in accordance with Article 10.5. A transfer notice shall not be revocable except with the sanction of the directors (including the consent of an Investor Director) given any time prior to completion of the transfer of the Shares in question, or unless notified in writing to the Company by the proposing transferor not more than three days following receipt by him or notice of the certified fair value of each Share (if relevant) provided such transfer notice has not been served due to compulsory transfer.

10.2 The Shares comprised in any transfer notice shall be offered in the following priority:

10.2.1 First, to the Company (subject always to the provisions of CA 2006);

10.2.2 To the Investors and the Founders pro rata to their holdings relative to the holdings of all Investors and Founders;

10.2.3 To any other holder of Shares in each case on the basis set out in the remainder of this Article 10.

10.3 Such offer shall be made by notice in writing (“**offer notice**”) with the period of 14 Business Days from the date of the transfer notice.

10.4 The offer notice shall

10.4.1 state the identity of the proposing transferor, the number of Shares comprised in

the transfer notice and the price per Share specified in the transfer notice and inform the members that Shares are offered to them in accordance with the provisions of this Article 10,

10.4.2 contain a statement to the effect that the Shares are offered in the first instance in the proportion referred to in the opening sentence of Article 10.2 but go on to invite each member to state in his reply whether he wishes to purchase more or less Shares than his proportionate entitlement and if so what number, and

10.4.3 state the period in which the offer may be accepted (not being less than 10 Business Days or more than 15 Business Days after the date of the offer notice).

For the purpose of this Article, an offer shall be deemed to be accepted (subject to revocation of the transfer notice as provided in Article 10.1) on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a member in respect of a lesser number of Shares than his full proportionate entitlement. If all the members do not accept the offer in respect of their respective proportions in full the Shares not so accepted shall be used to satisfy any claims for additional Shares (notified in response to the invitation referred to in Article 10.4.2) as nearly as may be in proportion to the number of Equity Shares already held by the members claiming additional Shares, provided that no member shall be obliged to take more Shares than he shall have applied for. If any Shares shall not be capable of being offered to the members in proportion to their existing holdings, except by way of fractions, the same shall be offered to the relevant members, or some of them, in such proportions as the majority of directors may think fit (with the consent of an Investor Majority).

10.5 If no price is specified in the transfer notice, then the sale price shall be agreed between the directors and the proposing transferor within 5 Business Days after receipt of the transfer notice. If no such agreement is possible forthwith upon the expiry of such 5th Business Day period the Company shall instruct the Auditors to certify the fair value of the Shares comprised in the transfer notice at the date of that notice and the costs of producing such certificate shall be apportioned among the proposing transferor and the purchasing members (but borne solely by the proposing transferor in the case of any revocation of a transfer notice) and borne by any one or more of them as the Auditors in their absolute discretion shall decide. In certifying the fair value as aforesaid no account shall be taken of the fact (if relevant) that the Shares in question constitute a minority holding in certifying the fair value the Auditors shall be considered to be acting as expert and not as arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Forthwith upon receipt of the certificate of the Auditors, the Company shall by notice in writing inform all members of the price at which the Shares comprised in the transfer notice are offered for sale.

10.6 If purchasing members shall be found for some or all of the Shares comprised in the transfer notice within the appropriate period specified in Article 10.4, the Company shall not later than 5 Business Days after the expiry of such appropriate period give notice in writing ("**sale notice**") to the proposing transferor specifying the purchasing members and the number of Shares to be purchased by each purchasing member and the proposing transferor shall be bound upon payment of the price due in respect of some or all of the Shares (as the case may be) comprised in the transfer notice to transfer the Shares to the purchasing members.

10.7 If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any Shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such Shares on behalf of and as attorney for the proposing transferor in favour of the purchasing members. The receipt of the Company for the purchase money shall be a good discharge to the purchasing members. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the proposing transferor.

10.8 If the Company shall not have found purchasing members for some or all of the Shares comprised in the transfer notice within the appropriate period specified in Article 10.4, then the proposing transferor shall, during the period of 3 months following the expiry of the time so specified, be at liberty to transfer all of the Shares he or she holds to any person or persons provided that:

10.8.1 the price per Share obtained upon such Share transfer shall in no circumstances be less than the price per Share specified in the transfer notice served in accordance with Article 10.1 or as certified in accordance with Article 10.5,

10.8.2 the proposing transferor shall upon request furnish such information to the directors as they shall require in relation to the price per Share obtained as aforesaid,

10.8.3 where proposed transferee(s) is or are concerned, engaged or interested directly or indirectly in any capacity whatsoever in any trade or business competing with the business of the Group, the proposing transferor must obtain the prior written approval of the Board prior to any such transfer(s).

The directors may require to be satisfied that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied, may refuse to register the instrument of transfer.

10.9 Any transfer or purported transfer of a Share made otherwise than in accordance with the foregoing provisions of Articles 10.1 to 10.8 (inclusive), Articles 10.12, 13 (departing founder),

14 (drag along), 15 (tag along), or 16 (co-sale) shall be null and void and of no effect.

- 10.10 If and when required by notice in writing by the holder or holders of (in aggregate) a majority in nominal value of the other Equity Shares in the Company so to do ("**transfer call notice**") a member who transfers or purports to transfer any Share in the Company in breach of the provisions of these Articles shall be bound to give a transfer notice in respect of the Shares (without specifying a price per Share) which he has transferred or purported to transfer in breach of these Articles.

In the event of such member failing to serve such a transfer notice within five days of the date of the transfer call notice such member shall be deemed to have given a transfer notice at the expiration of such period of five days and to have specified therein as the price per Share the fair value of each Share to be certified in accordance with Article 10.5. The provisions of Articles 10.2 to 10.8 (inclusive) shall apply mutatis mutandis. A transfer notice given or deemed given under this Article 10.10 shall be irrevocable unless the directors give their consent to the contrary.

- 10.11 The directors may, in their absolute discretion, decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 10. If it is a transfer of a Share on which the Company has a lien or of a Share (not being a fully paid Share) to a person of whom they shall not approve. For the avoidance of doubt the directors shall not refuse to register a transfer of Shares made pursuant to Articles 10.1 to 10.8 (inclusive) and Articles 10.12, 11 (permitted transfers), 13 (departing founder), 14 (drag along), 15 (tag along), or 16 (co-sale).

- 10.12 The provisions of Articles 10.1 to 10.12 (inclusive) may be waived in any particular case if the Investor Majority gives its consent in writing.

- 10.13 Deferred Shares are not transferable save with the consent in writing of the Investor Majority or in accordance with Articles 14 (drag along) and 15 (tag along).

11 PROHIBITED TRANSFERS

- 11.1 Save with the consent of the unanimous consent of the directors, such consent not to be unreasonably withheld, no transfer of Shares shall be permitted which would result in those Shares being held by a competitor of the Company or a member of the Group provided, however, that no venture capital fund or other financial investor shall be deemed to be a competitor of the Company or any member of the Group.

- 11.2 Save with the consent of the directors, including an Investor Director, no transfer of Founder Shares shall be permitted in the 36 months immediately after the Date of Adoption.

- 11.3 Save with the consent of the directors which must include a majority of the directors who are

not Investor Directors, no transfer of Shares by an Investor shall be permitted in the 12 months immediately after the Date of Adoption.

12 Permitted transfers

12.1 Notwithstanding any other provisions of these Articles:

12.1.1 any member may at any time transfer all or any Shares held to any other Investor or to any nominee of an Investor,

12.1.2 any member (being an individual) may at any time transfer all or any Shares held by him to a Privileged Relation,

12.1.3 any member may at any time transfer all or any Shares held by him to trustees to be held upon a Family Trust of which he is the settlor,

12.1.4 where any Shares are held by trustees of that Family Trust,

 (i) on any change of trustees such Shares may be transferred to the new trustees of that Family Trust,

 (ii) such Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor,

12.1.5 Any member may at any time transfer Shares where required to, or it is desirable to do so, as part of the administration of a will or by operation of the laws of intestacy.

12.1.6 any member being a corporation may at any time transfer all (but save with the prior consent in writing of a majority of the directors, not some only) of the Shares held by it

 (i) to any subsidiary of the member, or

 (ii) to any company of which the member is a subsidiary or any subsidiary of any such company,

12.1.7 where any Shares are held by trustees of any Employee Benefit Trust

 (i) any such Shares may be transferred to any employee, officer or consultant of the Company or any option or right to acquire any such Shares may be granted to any such persons,

 (ii) any person may transfer any of the Shares held by him to the trustees of

any Employment Benefit Trust,

- (iii) on any change of trustees such Shares may be transferred to the new trustees of that Employee Benefit Trust,

12.1.8 where any Shares are held by Lion Investments Limited all or any part of such Shares may be transferred to any other company the majority of which is ultimately beneficially owned by the beneficial owner from time to time of Lion Investments Limited.

12.1.9 where any Shares are held by 500Startups all or any part of such Shares may be transferred to any other company the majority of which is ultimately beneficially owned by the beneficial owner from time to time of 500Startups.

12.1.10 where any Shares are held by SAATCHiNVEST Ltd all or any part of such Shares may be transferred to any other company the majority of which is ultimately beneficially owned by the beneficial owner from time to time of SAATCHiNVEST Ltd.

12.1.11 Where any Shares are held by Venture Founders Nominee Limited, all or any part of such Shares may be dealt with as follows:

- (i) Venture Founders may appoint any other person as a replacement nominee and transfer the legal interest it holds in its Shares to the new nominee;
- (ii) Venture Founders may transfer the legal interest in its Shares to the underlying Venture Founders' investor who holds the beneficial interest in those Shares; or
- (iii) the underlying Venture Founders' investor may transfer the beneficial interest in its Shares to his or her Privileged Relation,

12.1.12 where any Shares are held by Initial Capital, all or any part of such Shares may be transferred to any Member of the same Fund Group.

12.2 If a corporate member ceases to be within the control (as such term is defined by section 1124 Corporation Tax Act 2010) of the person(s) who controlled such company on the date on which it became a member of the Company or on the Investment Date (whichever shall be the later) it shall (unless an Investor Director shall agree in writing otherwise) be deemed to have immediately given a transfer notice in respect of all the Shares as shall then be registered in its name.

12.3 If and whenever a Privileged Relation to whom Shares have been transferred ceases to be a

Privileged Relation of the shareholder who made the transfer, a transfer notice shall be deemed to have been given in respect of the relevant Shares (as hereinafter defined) by the holders thereof and such Shares may not otherwise be transferred.

12.4 If and whenever any Shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor, to any Privileged Relation of the settlor or other permitted transfer) or there ceases to be any beneficiaries of the Family Trust other than a charity or charities a transfer notice shall be deemed to have been given in respect of the relevant Shares (as hereinafter defined) by the holders thereof and such Shares may not otherwise be transferred.

12.5 For the purposes of Articles 12.3 and 12.4 the expression "relevant Shares" means and includes the Shares originally transferred to the trustees or Privileged Relation and any additional Shares issued or transferred to the trustees or Privileged Relation by virtue of the holding of the relevant Shares or any of them.

12.6 Each of the provisions of Articles 12.2 to 12.4 inclusive may be waived by an Investor Majority.

13 Departing Founder

13.1 In this Article 13, a "**Relevant Leaver**" shall mean a Founder who ceases to be an Employee at any time during the Relevant Period:

13.1.1 as a result of being lawfully dismissed for Poor Performance;

13.1.2 as a result of being fairly dismissed for Cause; or

13.1.3 as a result of such person's Voluntary Resignation.

13.2 If a Founder becomes a Relevant Leaver, the Founder in question shall, unless the Board shall resolve otherwise with the consent of an Investor Director, be deemed to have given a transfer notice (as defined in Article 10) in respect of the Leaver's Percentage of his/her Founder Shares on the Effective Termination Date.

13.3 In respect of any transfer notice deemed to have been given pursuant to Article 13.2, the transfer price for the Leaver's Percentage of his/her Founder Shares shall be the lower of Fair Value and the nominal value of the Founder Shares;

13.4 For the avoidance of doubt, in the event that a Founder shall cease to be an Employee other than as a Relevant Leaver, subject to the consent of an Investor Director and an independent third party appointed by the Board with the consent of at least one Investor Director, all of the Founders Shares shall be deemed Vested Shares and he/she shall not deemed to have given a transfer notice (as defined in Article 10) in respect of the Leaver's Percentage of

his/her Founder Shares.

- 13.5 For the purposes of this Article, Fair Value shall be as agreed between the Board (including consent of an Investor Director) and the relevant Founder, or failing agreement within five Business Days of seeking to agree such price, shall be as determined as follows:
- 13.5.1 If no transfer price can be agreed between the Founder and the Board in accordance with provisions of this Article 13 or otherwise then, on the date of failing agreement, the Board shall either:
- 13.5.2 appoint an expert valuer in accordance with Article 13.5.4 (the "**Expert Valuer**") to certify the Fair Value of the Unvested Shares; or
- 13.5.3 (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Founder Shares will be calculated by dividing any Fair Value so certified by the number of Founder Shares to which it related and multiplying such Fair Value by the number of Founder Shares the subject of the transfer notice.
- 13.5.4 The Expert Valuer will be either:
- 13.5.5 the Company's auditors; or
- 13.5.6 (if otherwise agreed by the Board and the Founder) an independent firm of Chartered Accountants to be agreed between the Board and the Founder 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 application of either party and approved by the Company.
- 13.5.7 The "**Fair Value**" of the Founder Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 13.5.8 valuing the Founder Shares as on an arm's-length sale between a willing seller and a willing buyer;
- 13.5.9 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 13.5.10 that the Founder Shares are capable of being transferred without restriction;
- 13.5.11 valuing the Founder 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 Founder Shares; and

- 13.5.12 reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 13.5.13 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.
- 13.5.14 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.
- 13.5.15 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).
- 13.5.16 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.
- 13.5.17 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 Founder 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 Founder Shares.
- 13.5.18 The cost of obtaining the certificate shall be paid by the Company unless:
- 13.5.19 the Founder cancels the Company's authority to sell; or
- 13.5.20 the sale price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Founder for the Founder Shares before the Expert Valuer was instructed,
- 13.5.21 in which case the Founder shall bear the cost.
- 13.6 For the purposes of this Article, the Founder Shares shall be offered in the following order of priority:
- 13.6.1 Firstly, to the Company (subject always to the provisions of CA 2006);
- 13.6.2 Secondly, to any person(s) approved by the Board (other than the departing Founder); and
- 13.6.3 Thereafter, to the Investors and the remaining Founder.
- 13.7 With respect to any of a Relevant Leaver's Founders Shares subject of a transfer notice deemed to have been given pursuant to Article 13.2 that have not been purchased, all of such unpurchased Founders Shares shall automatically convert into Deferred Shares.

14 Transfer of Shares – drag along

14.1 If an offeror for Shares in the Company makes a bona fide offer to all the members of the Company which is acceptable to the holders of an Investor Majority (but subject to the consent of the Board and an Investor Director where such offer is at a price per Share of less than 3 times the Issue Price) then provided such offer includes an offer to purchase all the Shares for the same consideration per Share or on the same terms as to price or to value (other than the Deferred Shares (if any) for which the offeror shall offer to each holder of Deferred Shares a total of £1 for the entire class of Deferred Shares held by such holder):

14.1.1 such offeror may give notice to any non-accepting holders of Shares and any persons who have the right to acquire Shares pursuant to rights granted prior to such offer requiring him to accept the offer within 14 days and stating that, failing such acceptance, he shall be deemed to have accepted such offer in respect of all Shares held by him and irrevocably to have waived any pre-emption rights he may have in relation to any Shares the subject of such offer,

14.1.2 upon the expiry of such notice each recipient thereof shall be obliged to deliver to the offeror (or as he may direct) an executed share transfer form and share certificate(s) in respect of the Shares which were the subject of the notice together with an executed waiver of pre-emption rights, if appropriate,

14.1.3 if any such member fails to deliver executed share transfer form(s), share certificate(s) and pre-emption waiver(s) (if appropriate) as set out above he shall be deemed to have appointed any director of the Company to be his agent and attorney to execute such documents on his behalf and, against receipt by the Company (on trust for such member) of the appropriate purchase monies, to deliver such executed transfer(s) and pre-emption waiver(s) (if appropriate) to the offeror and it shall be no impediment to completion of the transfer that such member's share certificate(s) has/have not been produced,

14.1.4 after such offeror or his nominee has been registered as the holder of Shares transferred in accordance with this Article the validity of such transaction shall not be questioned by any person.

14.2 Notwithstanding Article 14.1.1 and subject to the other provisions of Article 14.1, no non-accepting holders of Shares (**Called Shareholder**) shall be required to accept any such offer or, failing its acceptance of any such offer, shall be deemed to have accepted any such offer in respect of any or all Shares held by him (**Called Shares**) and irrevocably to have waived any pre-emption rights he may have in relation to any Shares the subject of such offer, unless:

14.2.1 any warranties to be made by such Called Shareholder in connection with the transaction subject of the offer are limited to warranties related to authority, ownership and the ability to

convey title to the relevant Called Shares, including but not limited to warranties that:

- 14.2.1.1 the Called Shareholder holds all right, title and interest in and to the Called Shares such Called Shareholder purports to hold, free and clear of all liens and encumbrances;
- 14.2.1.2 the obligations of the Called Shareholder in connection with the transaction have been duly authorised, if applicable;
- 14.2.1.3 the documents to be entered into by the Called Shareholder have been duly executed by the Called Shareholder and delivered to the acquirer and are enforceable against the Called Shareholder in accordance with their respective terms; and
- 14.2.1.4 neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Called Shareholders' obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;
- 14.2.2 the Called Shareholder shall not be liable for the inaccuracy of any warranty made by any other person in connection with the transaction subject of the offer, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of warranties and covenants of the Company as well as breach by any shareholder of any identical warranties and covenants provided by all shareholders);
- 14.2.3 the liability for indemnification or otherwise, if any of such Called Shareholder in the transaction subject of the offer and for the inaccuracy of any warranties made by the Company in connection with such transaction, is several and not joint with any other person (except to the extent that funds may be paid out of an escrow established to cover breach of warranties and covenants of the Company as well as breach by any shareholder of identical warranties and covenants provided by all shareholders) and subject to these Articles and the allocation of escrow, is pro rata in proportion to the amount of consideration paid to such Called Shareholder in connection with such transaction;
- 14.2.4 liability shall be limited to such Called Shareholder's pro rata share (determined in proportion to proceeds received by such Called Shareholder in connection with the transaction subject of the offer, subject to the provisions of these Articles and the allocation of escrow) of a negotiated aggregate indemnification amount that applies equally to all Called Shareholders but that in no event exceeds the amount of consideration actually paid to such Called Shareholder in connection with such transaction, 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;
- 14.2.5 neither such Called Shareholder (other than Called Shareholders who are employees of the Company) nor any of its affiliates shall be required to enter into any non-competition or non-

solicitation agreement or other agreement that directly or indirectly limits or restricts its business or activities or those of its affiliates; and

- 14.2.6 such Called Shareholder shall not be required to enter into any release of claims other than those arising solely in such Called Shareholder's capacity as a shareholder or employee of the Company.

15 Tag along

- 15.1 Save the permitted transfer of Shares under Article 12 and any transfers pursuant to Articles 10 or 13, no sale or transfer of the legal or beneficial interest in any Shares in the Company by any member of the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by any existing shareholder(s) or person or group of persons Acting in Concert unless the proposed transferee or transferees or his or their nominees are bona fide purchasers acting in good faith and has or have offered to purchase (**Offer**) the entire issued and to be issued Shares in the Company at the Specified Price (calculated as set out below).

- 15.2 The Offer shall be given by written notice (**Offer Notice**), at least 15 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out

15.2.1 the identity of the proposed transferee(s),

15.2.2 the purchase price and other terms and conditions of payment,

15.2.3 the Sale Date, and

15.2.4 the number of Shares proposed to be purchased by the proposed transferee(s) (**Offer Shares**).

- 15.3 If any part of the Specified Price is to be paid except by cash then the Investors (acting with the consent of an Investor Majority) may, at their option, elect to take a price per Share of such cash sum as may be agreed by them and the proposed transferee having regard to the transaction as a whole.

- 15.4 In this Article 15 the "**Specified Price**" means:

15.4.1 in the case of the Deferred Shares, a total of £1 for the entire class of Deferred Shares held by such holder,

15.4.2 in the case of the Equity Shares

(i) the consideration (in cash or otherwise) per Share equal to that offered or

paid or payable by the proposed transferee or his or their nominees for the Offer Shares of the relevant class being acquired, plus

- (ii) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other Shares of the relevant class 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, plus all arrears and accruals of the dividends on such Share calculated down to the date of the sale or transfer.

15.5 In the event of disagreement the calculation of the Specified Price shall be referred to the Auditors for determination whose decision shall be final and binding. If an Investor Majority reasonably considers that the proposed transfer is not bona fide arms length and representing a reasonable market value for the Shares, then the Specified Price shall be an amount determined by the Auditors as being a fair value for such Shares in accordance (mutatis mutandis) with the provisions of Article 10.5.

16 Co-Sale

16.1 Save the permitted transfer of Shares under Article 12 and any transfers pursuant to Articles 10, 13, or 15, no sale or transfer of the legal or beneficial interest in any Shares in the Company by any member of the Company who is not an Investor (for purposes of this Article 16, **Seller**) may be made or validly registered unless the Seller shall have observed the following procedures of this Article.

16.2 After the Seller has gone through the pre-emption process set out in Article 10, the Seller shall give to each Investor who has not taken up its pre-emption rights under Article 10 (**Co-Sale Holders**) the following written notice (**Co-Sale Offer Notice**), at least 15 Business Days (**Co-Sale Offer Period**) before the proposed sale date (**Co-Sale Sale Date**). To the extent not described in any accompanying documents, the Co-Sale Offer Notice shall set out

16.2.1 the identity of the proposed transferee(s) (**Buyer(s)**),

16.2.2 the purchase price and other terms and conditions of payment,

16.2.3 the Co-Sale Sale Date,

16.2.4 the number of Shares proposed to be purchased by the **Buyer(s)** (**Co-Sale Offer Shares**), and

16.2.5 the address to which the counter-notice should be sent.

16.3 Each Co-Sale Holder shall be entitled within five Business Days after receipt of the Co-Sale Offer Notice, to notify the Seller that it wishes to sell a certain number of Equity Shares held

by it at the proposed sale price, by sending a counter notice which shall specify the number of Equity Shares which such Co-Sale Holder wishes to sell. The maximum number of shares which a Co-Sale 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 Co-Sale Holder;

Y is the total number of Equity Shares;

Z is the number of Co-Sale Offer Shares that the Seller proposes to sell to the Buyer(s).

Any Co-Sale 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 Equity Shares to the Buyer(s).

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

16.5 No sale by the Seller shall be made pursuant to any Co-Sale Offer Notice more than three months after service of that Co-Sale Offer Notice.

16.6 Sales made in accordance with this Article 16 shall not be subject to the pre-emption rights provisions of Article 10.

17 General meetings

17.1 The directors may call general meetings and, on the requisition of members pursuant to the provisions of CA 2006, shall forthwith proceed to convene a general meeting in accordance with the provisions of CA 2006. If there are not within the United Kingdom sufficient directors to call a general meeting any director or any member of the Company may call a general meeting.

18 Notice of general meetings

18.1 All general meetings shall be called at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members

having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the Shares giving that right.

The notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting and shall include details of the right to appoint a proxy. Subject to the provisions of these Articles and to any restrictions imposed on any Shares, the notice shall be given to all the members, to all persons entitled to a Share in consequence of the death or bankruptcy of a member and to the directors and Auditors.

- 18.2 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

19 Proceedings at general meetings

- 19.1 No business shall be transacted at any general meeting unless a quorum is present. Two persons, of whom one must be an Investor Director, entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 19.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a 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 to such time and place as the directors (including an Investor Director) may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.
- 19.3 The chairman, if any, of the Board or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 19.4 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 19.5 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.
- 19.6 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place,

but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least five clear Business Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

19.7 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of CA 2006, a poll may be demanded:

19.7.1 by the chairman of the meeting, or

19.7.2 by at least two members having the right to vote on the resolution, or

19.7.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution, or

19.7.4 by a member or members holding Shares conferring a right to vote on the resolution being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right,

and a demand by a person as proxy for a member shall be the same as a demand by the member.

19.8 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

19.9 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

19.10 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

19.11 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have.

19.12 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is

demand. 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. If a poll is demanded before the declaration of the result of a show of hands and the demand is fully withdrawn, the meeting shall continue as if the demand had not been made.

- 19.13 No notice need be given of a poll taken forthwith 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 five clear Business Days' notice shall be given specifying the time and place at which the poll is to be taken.

20 Votes of members

- 20.1 Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote of each Share of which he is the holder

- 20.2 No member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by him unless all monies presently payable by him in respect of that Share have been paid.

20.3 Proxies

- 20.3.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

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

21 Alternate directors

21.1 Appointment and removal of alternate directors

- 21.1.1 Any director ("**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (i) exercise that director's powers, and
- (ii) carry out that director's responsibilities

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

21.1.2 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.

21.1.3 The notice must:

- (i) identify the proposed alternate, and
- (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

21.2 Rights and responsibilities of alternate directors

21.2.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor(s).

21.2.2 Except as the Articles specify otherwise, alternate directors:

- (i) are deemed for all purposes to be directors,
- (ii) are liable for their own acts and omissions,
- (iii) are subject to the same restrictions as their appointors, and
- (iv) are not deemed to be agents of or for their appointors

and, in particular, each alternate director shall be entitled to receive notice of all meetings of directors (but not meetings of committees of directors) of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him).

21.2.3 A person who is an alternate director but not, in the absence of such appointment, a director:

- (i) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

(ii) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and

(iii) shall not be counted as more than one director for the purposes of Articles 21.2.3(i) and 21.2.3(ii).

21.2.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his 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), but shall not count as more than one director for the purposes of determining whether a quorum is present.

21.2.5 An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

21.3 Termination of alternate directorship

21.3.1 An alternate director's appointment as an alternate terminates

(i) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

(ii) 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,

(iii) on the death of the alternate's appointor, or

(iv) when the alternate's appointor's appointment as a director terminates

21.4 A director may not appoint any person to be an alternate director in respect of any committee of the directors.

22 Appointment of directors

22.1 The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.

22.2 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with Article 22.8 as the maximum number of directors for the time being in force.

- 22.3 If, immediately following and as a result of the death of a member, the Company has no members and if at that time it has no directors, the personal representatives of the deceased member may appoint any person to be a director and the director who is appointed will have the same rights and be subject to the same duties and obligations as if appointed by ordinary resolution in accordance with Article 22.1. If two members die in circumstances rendering it uncertain which of them survived the other, such deaths shall, for the purposes of this Article, be deemed to have occurred in order of seniority and accordingly the younger shall be deemed to have survived the elder.
- 22.4 For as long as any Founder is an Employee and holds Shares, he shall be entitled to be a director of the Company.
- 22.5 A Series Seed Majority shall be entitled to appoint at any time and from time to time by the delivery of a written notice to the Company, up to two persons as non-executive directors. The relevant appointor of any such Investor Director shall be entitled to remove such person appointed by it from office by giving written notice of such to the Company and the Company shall give effect to the provisions of any such notice.
- 22.6 The Lead Investor shall have the right to appoint one observer (an "**Investor Observer**") who shall be entitled to
- 22.6.1 receive notice of each board meeting of the Company together with the agenda, and all accompanying documents and papers provided to the directors which shall be despatched to such observer at the same time as the same are despatched to the directors, and
- 22.6.2 attend and speak (but not vote) at any board meeting of the Company.
- 22.7 The reasonable expenses of an Investor Director shall be payable by the Company and upon request by the appointing Investor the Company shall also procure (so far as it is able) that such Investor Director be appointed a director to any other member of the Group.
- 22.8 Unless otherwise determined by ordinary resolution, the maximum number of directors shall be four for the time being.

23 Termination of director's appointment

- 23.1 A person ceases to be a director as soon as:
- 23.1.1 he ceases to be a director by virtue of any provision of CA 2006 or these Articles or he becomes prohibited by law from being a director, or
- 23.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or

23.1.3 he is, or may be, suffering from mental disorder and either

- (i) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months, or
- (ii) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or

23.1.4 he resigns his office by notice to the Company, or

23.1.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

24 Gratuities and pensions

24.1 The directors may exercise any powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependents) of the Company or any subsidiary or associated undertaking (as defined in section 1151(3) CA 2006) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

25 Proceedings of the directors

25.1 Notice of every meeting of the directors shall be given to each director and his alternate, including directors and alternate directors who may for the time being be absent from the United Kingdom.

25.2 The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two eligible directors (of which at least one must be an Investor Director (if so appointed under Article 22.5) unless the Investors whose Investor Director is in office shall waive the requirement for its Investor Director to be present). A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

25.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 27.2 to authorise a director's conflict, if there are only two eligible directors in office other than the conflicted director(s), then the quorum for such meeting (or part of a meeting) shall be such two eligible directors (or an Investor Director (if so appointed under Article 22.5 and if not

conflicted), otherwise it shall be authorised by a special resolution of the eligible member of the Company.

25.4 If the number of votes for and against a proposal at a meeting of the directors are equal, the chairman shall not have a casting vote.

25.5 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and CA 2006, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

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

26 Transactions or arrangements with the Company

26.1 Subject to the provisions of CA 2006, and provided that he has disclosed to the directors the nature and extent of any interest of his (unless the circumstances referred to in sections 177(5), 177(6), 182(5) or 182(6) CA 2006 apply, in which case no disclosure is required) a director notwithstanding his office:

26.1.1 may be a party to or otherwise interested in any contract, transaction or arrangement with the Company or in which the Company is in any way interested,

26.1.2 may be a director or other officer of or employed by or be a party to any contract, transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,

26.1.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,

26.1.4 shall not, save as he may otherwise agree, by reason of his office be accountable to the Company for any remuneration or benefit which he (or any person connected with him (as defined in section 252 CA 2006)) derives from any office, service or employment or from any contract, transaction or arrangement or from any interest in any body corporate which he is permitted to hold or enter into by virtue of Articles 26.1.1, 26.1.2 or 26.1.3 and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or

benefit nor shall the receipt of any such remuneration or benefit constitute a breach of section 176 CA 2006, and

26.1.5 shall, subject to Articles 27.1 and 27.6, be an eligible director for the purposes of any proposed decision of the directors (or committee of the directors) and shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision on any matter referred to in any of Articles 26.1.1 to 26.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.

26.2 For the purposes of Article 26.1:

26.2.1 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,

26.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have acknowledge shall not be treated as an interest of his, and

26.2.3 an interest of a person who is for any purpose of CA 2006 (excluding any statutory modification not in force on the Investment Date) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointer shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

27 Directors' conflicts of interest

27.1 In accordance with section 180(4)(b) of CA 2006, an Investor Director shall not be in breach of his or her general duties to the Company if, or to the extent, that he acts in accordance with the consent or approval of the Lead Investor pursuant to an express right of consent or approval stated in the Investment Agreement and/or Articles and where such Lead Investor was in possession of full details of any potential conflict.

27.2 The directors may, in accordance with the requirements set out in this Article, authorise any matter proposed to them by any director which would, if not authorised or permitted by Article 27.1, involve a director breaching his duty under section 175 CA 2006 to avoid conflicts of interest ("**Conflict Situation**"). For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

- 27.3 Any authorisation under this Article will be effective only if:
- 27.3.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine, and
 - 27.3.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question or any other interested director, and
 - 27.3.3 the matter was agreed to without their voting or would have been agreed to if their vote had not been counted.
- 27.4 Any authorisation of a Conflict Situation under this Article may (whether at the time of giving the authorisation or subsequently)
- 27.4.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised, and/or
 - 27.4.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and/or
 - 27.4.3 be terminated or varied by the directors at any time
- This will not affect anything done by the director prior to such termination or variation in accordance with the terms of authorisation.
- 27.5 In authorising a Conflict Situation the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict Situation otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:
- 27.5.1 disclose such information to the directors or to any director or other officer or employee of the Company, and/or
 - 27.5.2 use or apply any such information in performing his duties as a director
- where to do so would amount to a breach of that confidence.
- 27.6 Where the directors authorise a Conflict Situation they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:
- 27.6.1 is excluded from discussions (whether at meetings of directors or otherwise)

related to the Conflict Situation, and/or

27.6.2 is not given any documents or other information relating to the Conflict Situation, and/or

27.6.3 may or may not vote (or may or may not be counted in the quorum) at any future meetings of directors in relation to any resolution relating to the Conflict Situation.

27.7 Where the directors authorise a Conflict Situation:

27.7.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict Situation, and

27.7.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 CA 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

27.8 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a Conflict Situation which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

27.9 For the purposes of sections 175 and 180(4) CA 2006 and for all other purposes, it is acknowledged that an Investor Director may be or become subject to a Conflict Situation or Conflict Situations as a result of his also being or having been party to an agreement or arrangement or understanding or circumstance under which he may become an employee, director, trustee, member, partner, officer, nominee, attorney or representative of, or a consultant to, or a director or indirect investor in and/or otherwise commercially involved with or economically interested in any of the following:

27.9.1 an Investor, and/or

27.9.2 any "**Investor Affiliate**", which for these purposes means any person who or which, as regards an Investor, or any other Investor Affiliate of an Investor

(i) is a holding company of that company, or a wholly owned subsidiary of the company or any such holding company,

(ii) is a person in which it may have or acquire a direct or indirect economic interest as part of any portfolio investment,

(iii) controls or is controlled, managed advised (in an investment advisor

capacity) or promoted by it, and/or

- (iv) is a trustee, manager, beneficiary, shareholder, partner, unitholder or other financier or any participant in or of it, and/or

27.9.3 any carried interest or incentive arrangement associated with any person or arrangement referred to in Articles 27.9.2(i) to 27.9.2(iv) inclusive above.

27.10 An Investor Director's duties to the Company arising from him holding office as director shall not be breached or infringed as a result of any Conflict Situation envisaged by Article 27.9 having arisen or existing in relation to him and he shall not be held accountable to the Company for any benefit he directly or indirectly derives from his involvement with any person or entity referred to in Articles 27.9.2 or 27.9.3 irrespective of whether the activities of such person or entity are or may become competitive with those of the Company and/or any of its subsidiaries.

28 Means of communication to be used

28.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

28.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days) after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

28.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

28.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

28.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of the day that is not a working day.

28.2 In proving that any notice, document or other information was properly addressed, it shall be

sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006.

29 Indemnity

29.1 Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provisions of law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the Company shall indemnify every relevant officer out of the Company's assets to the greatest extent permitted by law against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a relevant officer PROVIDED that in the case of any director, any such indemnity shall not apply to any liability of that director:

29.1.1 to the Company or to any of its associated companies,

29.1.2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising), or

29.1.3 incurred

(i) in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the Company, or any of its associated companies, in which judgment is given against him, or

(ii) in connection with any application under the statute for relief from liability in respect of any such act or omission in which the court refuses to grant him relief

in the case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234 CA 2006.

29.2 The Company will negotiate and enter into a customary form of indemnification agreement with any relevant officer reasonably requesting one.

29.3 Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provision of law, provided the Board shall so determine, every person engaged by the Company as an auditor may be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties

and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office as an auditor including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an auditor of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admissions of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.

30 Insurance

- 30.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss. If reasonably requested by a Seed 2 Majority the Company shall purchase and maintain insurance for the benefit of any relevant officer in respect of any relevant loss up to £2 million, such policy to be reasonably acceptable to the Lead Investor.
- 30.2 The directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any relevant officer for such company in respect any relevant loss.
- 30.3 In this Article a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

31 Data protection

- 31.1 Each of the shareholders of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors ("**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information (but excepting all "sensitive data" as defined in the Data Protection Act 1998 for which it is recognised separate consent would be obtained) 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. Subject to any confidentiality undertakings given to them by a Recipient, each of the Company's shareholders and directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient within the European Economic Area for the purposes states above, where it is necessary or