

We hereby certify this to be  
a true copy of the original

Company Number 08302549



WHITE & BLACK LIMITED  
CHALFORD PARK, OXFORD  
ROAD, OLD CHALFORD  
OXON, OX7 5QR

PRIVATE COMPANY LIMITED BY SHARES  
WRITTEN RESOLUTIONS  
OF  
LENDING WORKS LIMITED  
(the "Company")

*1<sup>st</sup> June* ... 2016 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the Company propose that

- Resolutions 1 and 2 below are passed as special resolutions, and
- Resolution 3 is passed as an ordinary resolution,

(together, the "Resolutions")

**SPECIAL RESOLUTIONS**

1. THAT the draft articles of association attached to this resolution be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, all existing articles of association
2. THAT, all pre-emption rights and other restrictions attaching to the allotment and issue of shares in the Company, whether contained in the articles of association of the Company or otherwise, be and hereby are waived and disapplied in relation to the proposed allotment and issue of, in aggregate, 82,861 Ordinary A Shares of £0.01 each in the Company on or around the date of this resolution to Northern Venture Trust plc, Northern 2 VCT plc, Northern 3 VCT plc and NVM Nominees Limited

**ORDINARY RESOLUTION**

3. THAT in accordance with section 551 of the Act, the directors of the Company be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £7,683 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the Circulation Date, save that the Company may before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority revokes and replaces all unexercised authorities previously granted to the directors but without prejudice to any allotment of shares or grant of Rights already made or offered or agreed to be made pursuant to such authorities

WEDNESDAY



\*A597CTYH\*

A06

15/06/2016

#22

COMPANIES HOUSE

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
P2P Global Investments plc

Date .....

Signed by Ben Lyttleton

Date *1<sup>st</sup> June 2016* .....

*Be Lyttleton*

Signed by Richard Priestman

Date .....

Signed by Clinton Gomer

Date.....

Signed by David Kyte

Date .....

Signed by Jason Mackay

Date.....

Signed by Keith Saldanha

Date. . .

Signed by Max Ashton

Date.....

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
**P2P Global Investments plc**

Date

Signed by **Ben Lyttleton**

Date

Signed by **Richard Priestman**

Date

Signed by **Clinton Gomer**

Date *1<sup>st</sup> June 2016*



Signed by **David Kyte**

Date

Signed by **Jason Mackay**

Date

Signed by **Keith Saldanha**

Date

Signed by **Max Ashton**

Date

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
P2P Global Investments plc

Date

Signed by Ben Lyttleton

Date

Signed by Richard Priestman

Date

Signed by Clinton Gomer

Date.....

Signed by David Kyte

Date 1<sup>st</sup> June 2016

*David Kyte*.....

Signed by Jason Mackay

Date.....

Signed by Keith Goldsmith

Date.....

Signed by Max Ashton

Date.....

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
P2P Global Investments plc

Date

Signed by Ben Lyttleton

Date

Signed by Richard Priestman

Date

Signed by Clinton Gomer

Date

Signed by David Kyte

Date

Signed by Jason Mackay

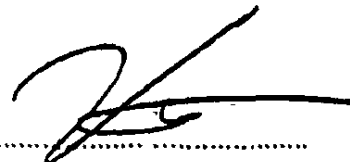
Date

Signed by Keith Saldanha

Date 1<sup>st</sup> June 2016

Signed by Max Ashton

Date



## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
**P2P Global Investments plc**

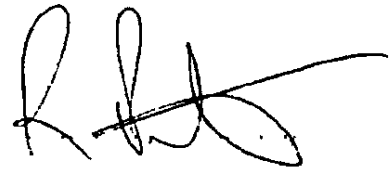
Date

Signed by **Ben Lyttleton**

Date, . . . . .

Signed by **Richard Priestman**

Date *1<sup>st</sup> June 2016.*



Signed by **Clinton Gomer**

Date.. . . .

Signed by **David Kyte**

Date . . . . .

Signed by **Jason Mackay**

Date... *1<sup>st</sup> June 2016* ..



Signed by **Keith Saldanha**

Date .. . . .

Signed by **Max Ashton**

Date .. . . .

## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

Signed for and on behalf of  
**P2P Global Investments plc**

Date . . . . .

Signed by **Ben Lyttleton** . . . . .

Date . . . . .

Signed by **Richard Priestman** . . . . .

Date . . . . .

Signed by **Clinton Gomer** . . . . .

Date . . . . .

Signed by **David Kyte** . . . . .

Date . . . . .

Signed by **Jason Mackay** . . . . .

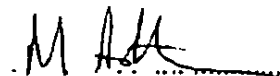
Date . . . . .

Signed by **Keith Saldanha** . . . . .

Date . . . . .

Signed by **Max Ashton**

Date *1<sup>st</sup> June 2016*

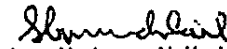


**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions.

Signed for and on behalf of  
**P2P Global Investments plc**



Date 1<sup>st</sup> June 2016

Signed by **Ben Lyttleton**

.....

Date .....

Signed by **Richard Priestman**

.....

Date .....

Signed by **Clinton Gomer**

.....

Date .....

Signed by **David Kyte**

.....

Date .....

Signed by **Jason Mackay**

.....

Date .....

Signed by **Keith Saldanha**

.....

Date .....

Signed by **Max Ashton**

.....

Date .....



Signed by **Mark Gomer**

Date

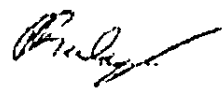
Signed by **Matthew Powell**

Date . . . . .

Signed by **Nicholas Harding**

Date . . . . .

Signed by **Paul Dunbar**



Date

Signed by **Paul Howard**

Date

Signed by **Alexander Rogers**

Date . . . . .

Signed by **Rachel Rogers**

. . . . .

Date . . . . .

## NOTES

- 1 You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

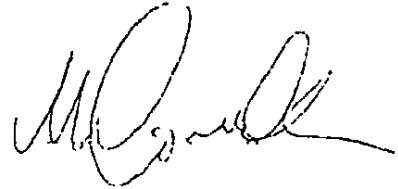
- **By Hand** delivering the signed copy to Lending Works Limited, 60 Gray's Inn Road, London, WC1X 8AQ

Signed by **Mark Gomer**

Date

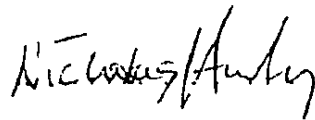
Signed by **Matthew Powell**

Date *1<sup>st</sup> June 2016*



Signed by **Nicholas Harding**

Date *1<sup>st</sup> June 2016*



Signed by **Paul Dunbar**

Date . . .

Signed by **Paul Howard**

Date . . . . .

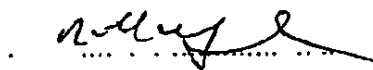
Signed by **Alexander Rogers**

Date *1<sup>st</sup> June 2016*



Signed by **Rachel Rogers**

Date... *1<sup>st</sup> June 2016* . . .

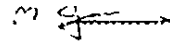


## NOTES

- 1 You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to Lending Works Limited, 60 Gray's Inn Road, London, WC1X 8AQ.

Signed by Mark Gomer



Date 1<sup>st</sup> June 2016

Signed by Matthew Powell

Date

Signed by Nicholas Harding

Date . . . . .

Signed by Paul Dunbar

Date . . . . .

Signed by Paul Howard

Date . . . . .

Signed by Alexander Rogers

. . . . .

Date. . . . .

Signed by Rachel Rogers

. . . . .

Date . . . . .

## NOTES

- 1 You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- By Hand, delivering the signed copy to Lending Works Limited, 60 Gray's Inn Road, London, WC1X 8AQ.

Signed by Mark Gomer

Date . . . . .

Signed by Matthew Powell

Date.

Signed by Nicholas Harding

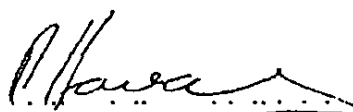
Date. . . . .

Signed by Paul Dunbar

Date. . . . .

Signed by Paul Howard

Date... 1<sup>st</sup> June 2016



Signed by Alexander Rogers

Date... . . . .

Signed by Rachel Rogers

Date. . . . .

## NOTES

1. You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods.
  - By Hand delivering the signed copy to Lending Works Limited, 60 Gray's Inn Road, London, WC1X 8AQ.

- **Post** returning the signed copy by post to Lending Works Limited, 60 Gray's Inn Road, London, WC1X 8AQ
- **E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to [nick@lendingworks.co.uk](mailto:nick@lendingworks.co.uk) (or procuring that such an email with such an attachment is sent)

If you do not agree to the Resolutions, you do not need to do anything, you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 3 Unless, by 5 30 pm on the 28th day following the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

**Articles of Association**  
of Lending Works Limited

Adopted on *1<sup>st</sup> June* 2016

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive name.

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
LENDING WORKS LIMITED

Registered Company Number: 08302549

Adopted by special resolution passed on 1<sup>st</sup> June 2016

**INTRODUCTION**

**1. INTERPRETATION**

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

**Act:** the Companies Act 2006

**acting in concert:** has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended)

**Adoption Date:** the date of adoption of these Articles

**Anti-Dilution Shares:** has the meaning given in *article 14 1* and *article 14 2* and *article 14 3*

**Articles:** the Company's articles of association for the time being in force

**Available Profits:** profits available for distribution within the meaning of part 23 of the Act

**Auditors:** the auditors of the Company from time to time.

**Board:** the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles.

**Budget:** has the meaning set out in clause 7 4 of the Investment Agreement

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business

**Chairman:** has the meaning given to it in *article 6 11*,

**Co-Investment Scheme** any co-investment scheme (whether a partnership, unincorporated association or any other form of co-investment scheme) which co-invests with any Investor, in which the participants are employees of any member of the Investor Group and which is managed or administered by a member of the Investor Group

**Company** means Lending Works Limited (Company number 08302549)

**Company's Lien** has the meaning given to it in *article 27.1*

**Connected** has the meaning given in section 1122 of the Corporation Tax Act 2010

**connected**: has the meaning given in section 252 of the Act

**Controlling interest**: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010

**Deed of Amendment**: the deed of amendment in relation to the Company entered into on or around 29<sup>th</sup> May 2015 between the Shareholders (as defined therein) and the Company

**Deemed Transfer Notice** a Transfer Notice which is deemed to have been served by any of the provisions of these Articles

**Departing Employee**. an Executive Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company

**Directors**. the directors of the Company from time to time

**Disposal** the disposal by the Company of all, or a substantial part of, its business and assets.

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

**Employee**: an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.

**Employee Trust**: a trust, the terms of which are approved by the NVM Investors, whose beneficiaries are the bona fide employees of the Group

**Equity Securities**: as defined in section 560(1) of the Act.

**Equity Shares** the Ordinary Shares and the Ordinary A Shares

**Event of Financial Underperformance** any one of the following

- (a) any two consecutive Financial Quarters in which the Company reports an operating loss (as shown in the Company's management accounts for the period in question prepared on a basis consistent



with UK GAAP) in circumstances where the Company had planned to report an operating profit (as shown in the Budget for the period in question),

- (b) any period of 6 consecutive months during which the Company's reported operating profit or loss (as shown in the Company's management accounts for the period in question prepared on a basis consistent with UK GAAP) shows an adverse variance of more than 40% to the planned operating profit or loss for such period (as shown in the Budget(s) for the period in question)

**Executive Employee.** each of the Founders and Mr Priestman

**Exit** a Share Sale, a Disposal or a Listing

**Fair Value.** has the meaning given in *article 19 2*

**Family Trust.** as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons)

**Financial Quarters:** the periods of three months ending on 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December in each Financial year, and each such three month period being a **Financial Quarter**.

**Financial Institution** any financial investor or credit institution authorised by or registered with the Financial Services Authority or the Financial Conduct Authority or the Prudential Regulation Authority (as the case may be) (or a financial investor or credit institution registered with the equivalent body or authority in the country of the relevant investor's or institution's principal place of business).

**Financial Year.** an accounting reference period (as defined in section 391 of the Act) of the Company

**Founders** Nicholas Harding and Matthew Powell, each a **Founder**

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

**Further Financing Round:** any issue of Relevant Securities that is made following the Adoption Date, whether in one or more transactions

**Group** the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly

**holding company:** has the meaning given in article 1 10

**Holding Vehicle** means a holding company formed for the purpose of acquiring the issued share capital of the Company and which has, immediately prior to the transfer of the issued share capital of the Company to it, the same membership as the Company and in which those members hold shareholdings which are proportional to their holdings of Shares in the Company and in the same classes of shares

**Incapacity:** any sickness, injury or other medical disorder or condition which prevents the Director from carrying out his duties as a Director

**Independent Expert:** an independent firm of accountants jointly appointed by the Company (with Institutional Investor Consent) and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the firm, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator) provided that the person undertaking the work of any expert so appointed shall have more than 10 years' practical experience in valuing shares in private companies

**Institutional Investor:** a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing

**Institutional Investor Consent:** the prior consent in writing of both P2PGI and the NVM Investors

**Investment Agreement.** the investment agreement entered into on or around the Adoption Date between, amongst others, the Company and the NVM Investors (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms for the time being).

**Investment Manager.** a person whose principal business is to make, manage or advise on investments

**Investor Approved Share Option Scheme:** the Lending Works Limited Enterprise Management Incentive Plan in a form approved in writing by the NVM Investors.

**Investor Director:** has the meaning given in *article 6 1*

**Investor Director Consent:** the prior consent in writing of the Investor Director

**Investor Fund Manager**, a Fund Manager which advises or manages the NVM Investors or any of them

**Investor Group** the NVM Fund Manager and its subsidiaries and subsidiary undertakings, holding companies and parent undertakings and subsidiaries and subsidiary undertakings of such holding companies and parent undertakings and

(a) any partnership of which any of them is general partner, participant, member, manager or adviser,

(b) any unit trust or fund (whether a body corporate or otherwise) of which any of them is trustee, participant, manager, adviser or general partner,

(c) any unit trust, partnership or fund (whether a body corporate or otherwise) the managers of which are advised by any of them, and

(d) any other Investment Fund whose business is managed by the Investment Manager of an Investor,

in each case from time to time

**Lien Enforcement Notice**: means a notice in writing which complies with the requirements of *article 28 2*

**Listing**: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000)

**Major Shareholder**: each of Nicholas Harding, Jason Mackay and Alexander Rogers provided in each case that he, together with a person Connected with him, holds more than 5% of the Shares and **Major Shareholders** shall be construed accordingly

**Member of the Same Group**: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company

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

(a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business),

(b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager,

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

(d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa, or

(e) any Member of the same Group as that Fund Manager

**Model Articles** the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date

**Net EMI and Claw-Back Issuance** 50,340 Ordinary Shares (as adjusted for any Variation of Capital Structure in the manner prescribed in *article 14*), being the aggregate number of Ordinary Shares to be issued on the exercise of the EMI options referred to in clause 7.6 of the Shareholders Agreement (as amended) and on the issue of 'Claw-Back Shares' as referred to, and defined in, clause 7.7 of that Shareholders Agreement less the number of Ordinary Shares to be transferred (by way of gift or forfeiture) to the Company on the application of clause 7.7 of the Shareholders Agreement (as amended)

**New Shares:** shares of the class, and with those rights and subject to those restrictions, which are proposed to be issued on a Further Financing Round and **New Share** shall be interpreted accordingly

**NVM Investors:** Northern Venture Trust plc, Northern 2 VCT plc, Northern 3 VCT plc and NVM Nominees Limited (**NVM Nominees**) and any other person who enters into a deed of adherence in accordance with the terms of the Investment Agreement and each of their respective Permitted Transferees and "**NVM Investor**" means any of them.

**NVM Fund Manager** NVM Private Equity LLP, in relation to each of the NVM Investors, provided that if it ceases or does not advise one of the NVM Investors, all references to NVM Private Equity LLP shall be deemed to include a reference (as the case may be) to the relevant NVM Investor and/or any party appointed to advise on that NVM Investor's investment in the Company.

**NVM Investor Consent:** the prior written consent of the NVM Investor Majority.

**NVM Investor Majority:** the holders of more than 75% of the Ordinary A Shares

**Observer:** shall have the meaning given in *article 6.4*.

**Option Agreements** the individual option agreements between the Company and each of the Founders entered into on or around the Adoption Date

**Ordinary Shares** the ordinary shares of £0.01 each in the capital of the Company

**Ordinary A Shares** the ordinary A shares of £0.01 each in the capital of the Company

**Original Issue Price** £24.1368 being the subscription price paid by the NVM Investors for Ordinary A Shares on or around the Adoption Date, as adjusted for any Variation of Capital Structure (in the manner prescribed in *article 14*)

**Original Shareholder** has the meaning given in *article 17.1*

**P2PGI** P2P Global Investments plc

**P2PGI Warrant Instrument** the warrant instrument entered into by the Company on or around 30<sup>th</sup> July 2015

**Performance Related Shares** a maximum aggregate number of 86,887 Ordinary Shares over which options have been granted to the Founders on or around the Adoption Date pursuant to the Option Agreements

**Permitted Transfer** a transfer of Shares made in accordance with *article 17*

**Permitted Transferee** in relation to

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust,

(b) a Shareholder which is a company, a Member of the Same Group as that company, and

(c) each Investor, (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the Same Fund Group as that Investor), or (iv) any other Financial Institution or Institutional Investor.

**Privileged Relation** in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).

**Relevant Securities** any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than

(a) the grant of any options under the Investor Approved Share Option Scheme (and the issue of Shares on the exercise of any such options) but subject to the grant of options over an aggregate maximum number of 20,153 Shares (or such other number as the NVM Investors may in writing approve),

- (b) the issue of the Performance Related Shares on the exercise of options granted to the Founders on or around the Adoption Date under the Investor Approved Share Option Scheme,
- (c) the issue of Shares (other than the Performance Related Shares) on the exercise of options granted to employees prior to the Adoption Date under the Investor Approved Share Option Agreement but subject to a maximum aggregate number of 18,016 Shares,
- (d) any Shares or other securities issued by the Company to any NVM Investor in order for the Company to comply with its obligations under these Articles including but not limited to the Anti-Dilution Shares to be issued to the NVM Investors in accordance with *article 14*,
- (e) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Investor Director Consent,
- (f) that number of Shares, not exceeding the Net EMI and Claw-Back Issuance, as are properly issued pursuant to the operation of clauses 7.6 and 7.7 of the Shareholders Agreement (as amended),
- (g) the issue of an aggregate maximum number of 25,370 Shares to P2PG1 pursuant to the terms of the P2PG1 Warrant Instrument, and
- (h) any Shares issued as a result of a bonus issue of shares which has been approved by Institutional Investor Consent

**Relevant Shares:** 50% of the number of Shares held by the Executive Employee in question and the same percentage of any Shares held by any Permitted Transferee of that Executive Employee (and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

**Restricted Shares:** has the meaning given in *article 20.8*

**Sale Proceeds.** means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale)

**Sale Shares:** has the meaning given in *article 18.2(a)*

**Seller:** has the meaning given in *article 18.2*

**Shareholder:** a holder for the time being of any Share or Shares and **Shareholders** shall be construed accordingly

**Shareholders' Agreement:** the shareholders' agreement in relation to the Company entered into on or around 8<sup>th</sup> January 2014 between the Founders, the Company and others as amended by the Subscription Deed and the Deed of Amendment.

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

**Share Sale** the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale

**Subscription Deed:** the subscription deed in relation to the Company entered into on or around 17<sup>th</sup> November 2014 between P2P Global Investments plc, the Existing Shareholders (as defined therein) and the Company

**subsidiary:** has the meaning given in article 1 10

**Termination Date.** (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,

(c) where an Executive Employee dies, the date of his death,

(d) where the Executive Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or

(e) in any other case, the date on which the employment or holding of office is terminated.

**Transfer Notice:** has the meaning given in *article 18 2*

**Transfer Price.** has the meaning given in *article 18 7*

**UK GAAP:** generally accepted accounting principles, policies, standards and practices as applied in the preparation of accounts of companies in the UK

**Variation of Capital Structure** any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in articles 14 1 or 14 2 or 14 3.

Headings in these Articles shall not affect the interpretation of these Articles

- 1.2 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular

- 1 3 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders
- 1 4 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date)
- 1 5 A reference in these Articles to
- (a) an **Article** is a reference to the relevant numbered article of these Articles, and
  - (b) a **model article** is a reference to the relevant article,
- unless expressly provided otherwise
- 1 6 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1 7 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms
- 1 8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them
- 1 9 A reference in these Articles to a holder, or the holder(s), of Shares, Equity Shares or any class of Shares as the case may be shall, in each case, be deemed to exclude any member holding Shares in treasury
- 1 10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act
- 1.11 A reference to a **person** includes any individual, firm, company or other body corporate, corporation, government, state or agency of state, trust or foundation, or any association, partnership or unincorporated body (whether



or not having separate legal personality and wherever incorporated or established) or two or more of the foregoing

## **2 ADOPTION OF THE MODEL ARTICLES**

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 18(e), 22, 26(5), 38, 39, 44(2), 49, 50 and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2 4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

## **DIRECTORS**

### **3. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of Directors shall not exceed 7 but shall not be less than 2

### **4. PROCEEDINGS OF DIRECTORS**

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4 2* (subject to *article 4.3* and *article 4 4*) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes

- 4 2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 4 3 A decision taken in accordance with *article 4 2* may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing
- 4 4 A decision may not be taken in accordance with *article 4 2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4 7* and *article 4 8*
- 4 5 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Investor Director Consent)" following each reference to "the directors" in such model articles
- 4 6 Other than with Investor Director Consent, meetings of the Directors shall take place at least 10 times in each year. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least 5 Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent in writing of an Investor Director, when meetings of the Directors may take place less frequently or on shorter notice)
- 4 7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include the Investor Director in office for the time being, unless:
- (a) there is no Investor Director in office for the time being, or
  - (b) such Investor Director has, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting, or
  - (c) such Investor Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director

in which case, subject to *article 4 8*, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time (within 30 days of the date appointed for the meeting) and place as the Directors present and the Investor Director shall determine. If a quorum is not present at any such

adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed

- 4 8 For the purposes of any meeting (or part of a meeting) held pursuant to *article 8* to authorise a Conflict (as defined in *article 8 1*), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 4 9 If the number of Directors in office for the time being is less than 2, the Director in office must not take any decision other than a decision to
- (a) appoint further Directors, or
  - (b) call a general meeting so as to enable the Shareholders to appoint further Directors
- 4 10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote
- 4 11 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
- 4 12 The Directors (acting with Investor Director Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.
- 4 13 The Directors may with Investor Director Consent exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party

## **5. APPOINTMENT AND REMOVAL OF DIRECTORS-GENERAL**

- 5 1 Model article 17(1) shall be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed the maximum number set out in *article 3* of these Articles"
- 5 2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,
- (b) save in the case of an Investor Director, a majority of the other Directors resolve that he cease to be a Director, and
- (c) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company

#### 6. INVESTOR DIRECTOR, OBSERVER, CHAIRMAN AND OTHER APPOINTMENT RIGHTS

- 6.1 The holders of a majority in nominal value of the Ordinary A Shares shall, from time to time, have the right to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director (an **Investor Director**) and to remove any such Investor Director and to appoint a replacement
- 6.2 Any appointment or removal of an Investor Director made in accordance with *article 6.1* shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice
- 6.3 An Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee).
- 6.4 The holders of a majority in nominal value of the Ordinary A Shares, shall from time to time (for so long as the holders of a majority in nominal value of the Ordinary A Shares have exercised their right to appoint an Investor Director pursuant to Article 6.1) have the right to nominate one person to be an observer (the **Observer**), who shall be entitled to receive notice of all meetings of directors (and committees of the directors) of each Group Company and copies of all board papers as if he were a director of each such Group Company and to attend, propose resolutions and speak at, but not vote at, any meeting of the directors (and committees of the directors) of each Group Company.
- 6.5 The reasonable expenses of each Investor Director and each Observer shall be payable by the Company as set out in the Investment Agreement

- 6.6 For so long as it holds Shares, P2PGI shall, from time to time, have the right to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director and to remove any such Director and to appoint a replacement
- 6.7 For so long as he is a Major Shareholder, Alexander Rogers shall from time to time have the right to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director and to remove any such Director and to appoint a replacement
- 6.8 For so long as he is Major Shareholder, Nick Harding shall from time to time have the right to be appointed as a Director and in the event of his Incapacity he shall have the right to appoint with Investor Director Consent (such consent not to be unreasonably withheld or delayed) an alternate Director to exercise his powers as a Director
- 6.9 As a Founder, Matthew Powell shall (for so long as he is an employee of the Company) have the right to be appointed as a Director and in the event of his Incapacity he shall have the right to appoint with Investor Director Consent (such consent not to be unreasonably withheld or delayed) an alternate Director to exercise his powers as a Director
- 6.10 The holders of at least 50% of the Shares held in aggregate by the Major Shareholders shall from time to time, have the right to appoint, by notice in writing addressed to the Company, and to maintain in office, a Major Shareholder (or some other person with Investor Director Consent, such consent not to be unreasonably withheld or delayed) as a Director and to remove any such Director so appointed and to appoint a replacement
- 6.11 Subject to article 6.12, the Directors may, with NVM Investor Consent, appoint any person as chairman of the board of Directors (**Chairman**) and may, with NVM Investor Consent, remove and replace any such Chairman. The Chairman as at the Adoption Date shall be Mr Priestman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting
- 6.12 Following the occurrence of an Event of Financial Underperformance, the holders of a majority in nominal value of the Ordinary A Shares shall have the right, by notice in writing addressed to the Company, to remove any person who has been appointed as Chairman in accordance with article 6.11

and to replace such Chairman with a person to be appointed by the holders of a majority in nominal value of the Ordinary A Shares

## **7 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 7.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
  - (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
  - (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
  - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
  - (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
  - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

## **8. DIRECTORS' CONFLICTS**

- 8.1 The Directors may, in accordance with the requirements set out in this *article* 8, authorise any matter or situation proposed to them by any Director which

would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

8.2 Any authorisation under this *article 8* will be effective only if

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

8.3 Any authorisation of a Conflict under this *article 8* may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
- (c) subject to Investor Director Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

- 8.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 8.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 8.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 8.1* shall be necessary in respect of any such interest
- 8.7 An Investor Director shall be entitled from time to time to disclose to his appointor(s) (and to any Permitted Transferee of such appointor(s)) such information concerning the business and affairs of the Company as he shall at his discretion see fit
- 8.8 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 relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.9 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in
- (a) the NVM Fund Manager and any other Investor Fund Manager,
  - (b) any of the funds advised or managed by the NVM Fund Manager or any other Investor Fund Manager from time to time, or
  - (c) another body corporate or firm in which the NVM Fund Manager or any other Investor Fund Manager or any fund advised by the NVM Fund Manager or such other Investor Fund Manager has directly or



indirectly invested, including without limitation any portfolio companies

- 8 10 Notwithstanding any other provisions of this *article 8*, it shall not (save with the consent in writing of the Investor Director) be made a condition of any authorisation of a matter in relation to the Investor Director in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information

**9. SECRETARY**

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

**SHARES AND DISTRIBUTIONS**

**10. DIVIDENDS**

- 10 1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this *article 10*
- 10 2 Subject to *article 10 6*, the Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if they constituted Shares of the same class) pro rata to their respective holdings of Equity Shares
- 10 3 Subject to the Act, the Directors may pay interim dividends provided that
- (a) the Available Profits of the Company justify the payment, and
  - (b) the Company obtains Institutional Investor Consent to any such interim dividend
- 10.4 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up All dividends are expressed net and shall be paid in cash.
- 10 5 The Company (acting with Institutional Investor Consent) shall procure that the profits of any subsidiary available for distribution shall from time to time

(and to the extent lawful), be paid by way of dividend to the Company to the extent desirable to permit lawful payment by the Company of dividends

- 10.6 Notwithstanding any other provision of this article 10, no dividend may be paid to the Company in respect of any Shares held in treasury

**11 RETURN OF CAPITAL**

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion, redemption or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be distributed among the holders of the Equity Shares pro rata according to the number of Equity Shares held by them

**12. EXIT PROVISIONS**

- 12.1 On a Share Sale, the Sale Proceeds shall be distributed in accordance with *article 11*. The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale
- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in accordance with *article 11*, and
  - (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the NVM Investors to ensure that the balance of the Sale Proceeds are distributed in accordance with *article 11*
- 12.2 On a Disposal, 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 accordance with *article 11*, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the NVM Investors (including, but without prejudice to the generality of this *article 12.2*, such action as may be necessary to put the Company into voluntary liquidation so that *article 11* applies).
- 12.3 In the event of an Exit approved by the Directors (acting with NVM Investor Consent) (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors

to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this *article 12 3*

- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit,
- (b) the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents, and
- (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)

### **13 VARIATION OF CLASS RIGHTS**

13.1 Whenever the share capital of the Company is divided into different classes of Shares, 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 a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares). Notwithstanding the foregoing, the special rights attached to the Ordinary A Shares may only be varied or abrogated with NVM Investor Consent.

13.2 Without prejudice to the generality of *article 13 1*, the special rights attaching to the Ordinary A Shares shall be deemed to be varied by the occurrence of any of the following events

- (a) the amendment or repeal of any provision of, or addition of any provision to, the constitution of any Group Company,
- (b) an issue of any shares or other securities (whether on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities, or otherwise) other than in accordance with these Articles,
- (c) any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own shares, or
- (d) the creation of a new class of Shares which has preferential rights to one or more existing classes of Shares,
- (e) any alteration in the rights attaching to any share capital,
- (f) the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of any Group Company (other than pursuant to a Investor Approved Share Option Scheme);

- (g) the approval of any merger, liquidation, dissolution or acquisition of any Group Company or the sale of all or a substantial part of the business, undertaking or assets of any Group Company,
- (h) the purchase by any Group Company of any Shares or the redemption of any shares or other securities of any Group Company,
- (i) the acquisition by any Group Company of any shares or other securities, or any option, warrant or other right to acquire or subscribe for any of the same, in any entity (whether or not incorporated),
- (j) save as expressly provided otherwise in these Articles, the application by capitalisation of any sum in or towards paying up any shares or other securities of any Group Company, or any other reduction of any amount standing from time to time to the credit of the share premium account or capital redemption reserve of any Group Company;
- (k) the entering into by any Group Company of a voluntary winding up,
- (l) the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payment of dividends) which will raise or may reduce the amount of the profits of any Group Company available for distribution,
- (m) the redenomination of any of the issued share capital of any Group Company, and
- (n) any Group Company incurring any obligation (whether or not conditional) to do any of the foregoing

13.3 Any resolution proposed as a written resolution in relation to any of the matters listed in article 13.2, shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution

#### 14. ANTI-DILUTION

14.1 If and to the extent that on the application of clause 7.6 and/or clause 7.7 of the Shareholders' Agreement, there is an issue of Relevant Securities following the Adoption Date of more than the Net EMI and Claw-Back Issuance (**Qualifying Issue**), then the Company shall make a bonus issue to the holders of Ordinary A Shares (other than NVM Nominees) (unless and to the extent that any such holder has pursuant to *article 14.9* specifically waived his rights under this *article 14.1*) (the **Exercising Investors**) of, in aggregate, such number of new Ordinary A Shares (rounded up to the nearest whole number) as is required to ensure that the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately following such Qualifying

Issue is the same as the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately prior to such Qualifying Issue (the **Anti-Dilution Shares**)

- 14.2 If the Company grants any options or warrants to directors or employees of, or consultants to, the Company which are Relevant Securities following the Adoption Date (**Qualifying Grant**), then the Company shall make a bonus issue to the holders of the Ordinary A Shares (other than NVM Nominees) (unless and to the extent that any holder has pursuant to *article 14.9* specifically waived his rights under this *article 14.2*) (the **Exercising Investors**) of, in aggregate, such number of new Ordinary A Shares (rounded up to the nearest whole number) as is required to ensure that the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately following such Qualifying Grant is the same as the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately prior to such Qualifying Grant (the **Anti-Dilution Shares**)
- 14.3 If Performance Related Shares are issued following the Adoption Date (**Qualifying Performance Related Issue**), then the Company shall make a bonus issue to the holders of Ordinary A Shares (other than NVM Nominees) (unless and to the extent that any such holder has pursuant to *article 14.9* specifically waived his rights under this *article 14.3*) (the **Exercising Investors**) of, in aggregate, such number of new Ordinary A Shares (rounded up to the nearest whole number) as is required to ensure that the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately following such Qualifying Performance Related Issue is the same as the percentage of the total number of Equity Securities in the capital of the Company held by the Exercising Investors (in aggregate) immediately prior to such Qualifying Performance Related Issue (the **Anti-Dilution Shares**)
- 14.4 On the application of *article 14.1* or *article 14.2* or *article 14.3*, the Anti-Dilution Shares shall:
- (a) be paid up by the automatic capitalisation of available reserves of the Company (without any further authority required than that contained in these Articles),
  - (b) within 10 Business Days of the date of the Qualifying Issue or the Qualifying Performance Related Issue or the date of the exercise of the options or warrants comprising a Qualifying Grant (as the case may be), be issued to the NVM Investors (other than NVM Nominees) in accordance with *article 14.1* or *article 14.2* or *article 14.3* (as the case may be) and credited as fully paid up in cash.

- (c) shall rank *pari passu* in all respects with the existing Ordinary A Shares, and
  - (c) be issued to the Exercising Investors in proportion to the respective number of Shares then held by them
- 14.5 If and to the extent that the Company is prohibited from issuing the Anti-Dilution Shares in accordance with *article 14.4* (whether by virtue of the Act or otherwise), the entitlement of each Exercising Investor to such an issue of Anti-Dilution Shares shall be reduced in the same proportion that its holding of Ordinary A Shares bears to the total number of Ordinary A Shares then in issue and each Exercising Investor shall be entitled, at any time, to subscribe at par for the balance of that number of Anti-Dilution Shares to which he would otherwise be entitled to receive pursuant to *article 14.1* or *article 14.2* or *article 14.3* (as the case may be) and, following such a subscription, *article 14.4(c)* shall apply
- 14.6 In the event of a Variation of Capital Structure following the Adoption Date, the amount of the Original Issue Price and the provisions of *articles 14.1*, *14.2* and *14.3* shall be adjusted in such manner as the Investor and the Company deem necessary (at the Company's cost) to reflect such Variation of Capital Structure
- 14.7 If there is a dispute between the Company and the NVM Investors as to the operation of this *article 14*, the matter shall be referred (at the cost of the Company) to the Auditors who shall determine the number of Anti-Dilution Shares to be issued.
- 14.8 The Auditor's determination of any matter under this *article 14* shall, in the absence of manifest error, be final and binding on the Company and each of its Shareholders
- 14.9 A holder of Ordinary A Shares may, by written notice to the Company, waive its right to receive part or all of its entitlement to Anti-Dilution Shares
- 14.10 The Company shall provide each holder of Ordinary A Shares with at least 10 Business Days' notice of its intention to make a Qualifying Issue or a Qualifying Grant or a Qualifying Performance Related Issue
- 15. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES**
- 15.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution, the Directors shall not, save with Institutional

Investor Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares

15.2 Subject to the remaining provisions of this *article 15*, the Directors are generally and unconditionally authorised, for the purposes of the Act, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into, and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

15.3 The authority referred to in *article 15.2*

- (a) shall be limited to a maximum nominal amount of £7,683 of Equity Shares,
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
- (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any 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)

15.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

15.5 Save with NVM Investor Consent, if the Company proposes to allot any Relevant Securities to any person at a subscription price per Relevant Security which equates to less than the Original Issue Price (which in the event that the Relevant Security is not proposed to be issued for cash shall be a price per Relevant Security 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 Relevant Securities), the NVM Investors shall have the right but not the obligation to subscribe for such number of such Relevant Securities as the NVM Investors shall determine (subject to a maximum aggregate subscription amount of £2,000,000) at his sole discretion at the price per Relevant Security offered to such person (or in the event that such Relevant Securities are not to be issued for cash, the

price per Relevant Security certified by the Auditors pursuant to the provisions of this *article 15 5*)

15.6 Subject to *article 15 5*, if the Company proposes to allot any Relevant Securities (otherwise than as agreed by special resolution), those Relevant Securities shall, save with Institutional Investor Consent, be allotted as Ordinary Shares and shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Equity Shares (each an **Offeree**) on a *pari passu* basis and in the respective proportions that the number of Equity Shares held by each such holder bears to the total number of Equity Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person

15.7 An offer made under *article 15 6* shall

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- (b) remain open for a period of 20 Business Days from the date of service of the offer, and
- (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 15.6* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.

15.8 If, on the expiry of an offer made in accordance with *article 15 6*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement

15.9 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 15.6* shall be used to satisfy any requests for Excess Securities made pursuant to *article 15 7(c)*. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Equity Shares held by each such applicant bears to the total number of such Equity Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities shall, subject to *article 15 11*, be offered to any other



person(s) as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders

- 15 10 Subject to *article 15 5* but otherwise after the operation of the pre-emption procedure at *articles 15 6 to 15 8* inclusive, on any Further Financing Round, the NVM Investors shall be granted the right (but shall not have the obligation) to subscribe for such number of New Shares (subject to a maximum aggregate subscription amount of £2,000,000 on one or more Further Financing Rounds) as it shall determine at its sole discretion at the same subscription price per New Share (and on such other terms in relation to the Further Financing Rounds) as such New Shares are offered to third party potential investors on such Further Financing Round
- 15 11 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003
- 15 12 Save with NVM Investor Consent, in the event that any Ordinary A Shares are issued to any person other than an NVM Investor or a Permitted Transferee of an NVM Investor, then the Ordinary A Shares in question shall immediately upon their issue be automatically converted (on a one for one basis and without the need for any action on the part of any holder of Shares or the Company) into Ordinary Shares

## **16. TRANSFERS OF SHARES: GENERAL**

- 16 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share
- 16.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to *article 16 5*, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 16 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

- 16.4 Any transfer of a Share by way of sale which is required to be made under *article 18*, *article 20* or *article 23* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee
- 16.5 The Directors may (and shall, if requested by the NVM Investors), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the NVM Investors agreeing to be bound by the terms of the Investment Agreement (or similar document) in force between any of the Shareholders, the NVM Investors and the Company, in such form as the Directors (acting with Investor Director Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this *article 16.5*, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee
- 16.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Investor Director, require
- (a) any holder (or the legal representatives of a deceased holder), or
  - (b) any person named as a transferee in a transfer lodged for registration, or
  - (c) such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 16.7 If any such information or evidence referred to in *article 16.6* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including an Investor Director) within 20 Business Days of receipt of such written notice, then, unless otherwise directed in writing by the NVM Investors
- (a) the relevant Shares shall cease to confer on the holder of them any rights.
    - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,

- (ii) to receive dividends or other distributions otherwise attaching to those Shares or
- (iii) to participate in any future issue of Shares, and
- (b) the Directors may (with Investor Director Consent), by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may (with Investor Director Consent) reinstate the rights referred to in *article 16 7(a)* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 16 7(b)* on completion of such transfer

- 16 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that
- (a) it does not contain a Minimum Transfer Condition, and
  - (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)
- 16 9 Any Transfer Notice (but not an Offer Notice (as defined in *article 21*) or a Drag Along Notice (as defined in *article 23*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice
- 16 10 Other than transfers of Shares pursuant to *article 17* (Permitted Transfers), *article 20* (Compulsory Transfers) or *article 23* (Drag Along), a Founder may not transfer any of the Shares held by him without NVM Investor Consent.
- 16 11 Save with NVM Investor Consent, in the event that any Ordinary A Shares are transferred by anyone other than an Investor to any person other than an Investor or a Permitted Transferee of an Investor, then the Ordinary A Shares in question shall, immediately upon such transfer, be automatically converted (on a one for one basis and without the need for any action on the part of any holder of Shares or the Company) into Ordinary Shares

**17. PERMITTED TRANSFERS OF SHARES**

**17 1** A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee

**17 2** Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

- (a) the Original Shareholder,
- (b) any Privileged Relation(s) of the Original Shareholder,
- (c) subject to *article 17 3*, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
- (d) subject to *article 17 3*, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

**17 3** A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Investor Director is satisfied

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
- (b) with the identity of the proposed trustee(s);
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

**17 4** If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to.

- (a) the Original Shareholder, or
- (b) a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article 17 4*, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 17 4*

**17 5** If the Original Shareholder is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee

shall, within 10 of Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to

- (a) the Original Shareholder, or
- (b) a Member of the Same Fund Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article 17.5*, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 17.5*.

- 17.6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- (b) give a Transfer Notice to the Company in accordance with *article 18*,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 17.6*. This *article 17.6* shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares

- 17.7 Notwithstanding any other provision of this *article 17*, a transfer of any Shares approved by the Directors (acting with Investor Director Consent) or a transfer to a Holding Vehicle upon a sale or disposition of the entire issued capital of the Company which has been approved by the Directors (acting with Investor Director Consent) may, in each case, be made without any price or other restriction and any such transfer shall be registered by the Directors

- 17.8 Notwithstanding any other provision in these Articles, the following transfers may be made without any price or other restriction and any such transfers shall be registered by the Directors:

- (a) any Shares which are held by or on behalf of an Investment Trust (as defined in LR Appendix 1 of the Listing Rules published by the UK Listing Authority) whose shares are listed on the Official List of the UK Listing Authority may be transferred to another such Investment Trust whose shares are also so listed;

- (b) any Shares held by a member of the Investor Group may be transferred to any member of the Investor Group or to any trustee or nominee for any such member or to any Investment Fund,
- (c) any Shares held by or on behalf of a unit trust or partnership or other unincorporated association, fund or any participant in any Co-Investment Scheme may with Investor Director Consent be transferred or disposed of to the holder or holders of units in such unit trust or partners in such partnership or members of such unincorporated association or investors in such fund or participant in such Co-Investment Scheme from time to time or to trustees for any such person,
- (d) the beneficial interest in any Shares held by any Investor may be transferred to any participant in any Co-Investment Scheme to hold upon the terms of such scheme, and the beneficial interest in any such shares may be transferred by any participant in a Co-Investment Scheme to any other participant in such scheme in accordance with the provisions of any agreement governing the rules of the scheme,
- (e) any holder of Shares which is a nominee or trustee, whether directly or indirectly, for an approved scheme or schemes as defined in the Income Tax (Earnings and Pensions) Act 2003 may transfer any Shares to any other nominee or trustee, whether direct or indirect, for the same approved scheme or schemes,
- (f) any Shares held by a nominee or trustee of a partnership may be transferred to the partners or to any new nominee or trustee for such partnership, and
- (g) any Shares held by or on behalf of a partnership, unit trust, investment trust, unincorporated association or other fund (whether a body corporate or otherwise) or corporation may be transferred to another partnership, unit trust, investment trust, unincorporated association or other such fund or corporation which is managed or advised by the same manager or adviser as the transferor or by a holding company of such manager or adviser or any subsidiary company of such holding company

## **18. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

- 18.1** Except where the provisions of *article 17* (Permitted Transfers), *article 21* (Tag Along), or *article 23* (Drag Along) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 18*.

- 18.2 Subject to *article 16.10*, a Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying
- (a) subject to *article 16.8(b)*, the number of Shares he wishes to transfer (**Sale Shares**),
  - (b) the name of the proposed transferee, if any,
  - (c) subject to *article 20.5*, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**), and
  - (d) subject to *article 16.8(a)*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**)
- 18.3 Once given or deemed to be given under these Articles, a Transfer Notice may not be withdrawn
- 18.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 18.5 As soon as practicable following the later of
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
  - (b) the determination of the Transfer Price in accordance with *article 18.7*,
- the Directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 18* at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered
- 18.6 If a Shareholder is deemed to have served a Transfer Notice, any Permitted Transferee of that Shareholder to whom shares have been transferred in accordance with these Articles is also deemed to have served a Transfer Notice in respect of all his shares on the same date as the Shareholder's Transfer Notice is deemed to have been served (in the case of a Deemed Transfer Notice).
- 18.7 Subject to *article 20.5* and *article 20.6*, the Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Board, or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of

each Sale Share. The Transfer Price for each Sale Share of a Permitted Transferee the subject of a Deemed Transfer Notice under these Articles shall be the same as the Transfer Price for each Sale Share of the Seller.

18.8 Subject to *article 20.7*, the Directors shall offer the Sale Shares at the Transfer Price to the holders of Equity Shares other than the Seller and any Shareholders whose Shares are, at the time of the Transfer Notice, the subject of a Deemed Transfer Notice, inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy. If the Sale Shares are subject to a Minimum Transfer Condition, any allocation of Sale Shares shall be conditional on the fulfilment of the Minimum Transfer Condition.

18.9 If

- (a) at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Equity Shares bears to the total number of Equity Shares (excluding those held by the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Director Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,
- (b) not all Sale Shares are allocated following allocations in accordance with *article 18.9(a)*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article 18.9(a)*. The procedure set out in this *article 18.9(b)* shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall, subject always to *article 18.10*, allocate the Sale Shares to the Shareholders in accordance with their applications.

18.10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is insufficient to meet that Minimum Transfer Condition, the Board shall notify the Seller and all those to whom



Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

- 18 11 If the Transfer Notice does not include a Minimum Transfer Condition or does include a Minimum Transfer Condition but this has been met, the Board shall, when no further offers are required to be made under *article 18 8* and *article 18 9*, give written notice of allocation ( an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**) pursuant to *article 18 9* The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days and not more than 20 Business Days after the date of the Allocation Notice
- 18 12 On the service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the provisions specified in it
- 18 13 If the Seller fails to comply with *article 18 12*:
- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller.
    - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
    - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price),and the Board may (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
  - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company
- 18 14 If an Allocation Notice does not relate to all the Sale Shares then (provided that any Minimum Transfer Condition has been met), subject to *article 18 15* and within 26 weeks following service of the Allocation Notice, the Seller may

transfer those Sale Shares to which the Allocation Notice does not relate to any person at a price at least equal to the Transfer Price

18 15 The Seller's right to transfer Shares under *article 18 14* does not apply if the Board or the NVM Investors reasonably considers that

- (a) the transferee is a person (or a nominee for a person) who is a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested by the Board or the NVM Investors to enable it (or them) to form the opinion referred to in *article 18 5(a)* or *article 18 15(b)*

## **19. VALUATION**

19 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with NVM Investor Consent, and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

19 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (c) that the Sale Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the Issued Shares without any premium or discount being attributable to the percentage of the Issued share capital of the Company which they represent, and
- (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account

- 19.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 19.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 19.5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 19.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 19.7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 19.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally unless in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert, in which case the Seller shall bear the cost

## **20. COMPULSORY TRANSFERS**

- 20.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors (acting with Investor Director Consent) may determine
- 20.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect

of all Shares held by it at such time as the Directors (acting with Investor Director Consent) may determine

- 20.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This *article 20.3* shall not apply to the NVM Investors or any of them
- 20.4 If an Executive Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors (with Investor Director Consent) otherwise direct in writing in respect of any particular Relevant Shares prior to or within 20 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Executive Employee becomes a Departing Employee shall automatically lapse
- 20.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall be the aggregate Fair Value of such Sale Shares.
- 20.6 Notwithstanding the provisions of *article 20.5*, the NVM Investors may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to *article 20.5*
- 20.7 The Relevant Shares on a Compulsory Employee Transfer shall be offered in the following order of priority.
- (a) first, to any Employee Trust that the Directors (acting with NVM Investor Consent) may nominate for the purpose,
  - (b) second, to a person (or persons) agreed between the Directors and the NVM Investors to take the Departing Employee's place, conditionally on that person commencing their employment and/or office with the Company (or other Group Company);
  - (c) third, subject to the Act, to the Company,
  - (d) fourth, to the holders of Equity Shares,

in each case on the basis set out in *article 18 5* to *article 18 15* (inclusive)

20 8 Forthwith upon a Transfer Notice being deemed to be served under *article 20*, the Relevant Shares (**Restricted Shares**) shall cease to confer on the holder of them any rights

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
- (b) to receive dividends or other distributions otherwise attaching to those Shares, or
- (c) to participate in any future issue of Shares

The Directors may (with Investor Director Consent) reinstate the rights referred to in *article 20 8* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 20* on completion of such transfer

## 21 TAG ALONG

21.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article 17* (Permitted Transfers) or *article 20* (Compulsory Transfers), but after the operation of the pre-emption procedure set out in *article 18*), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than the NVM Investors or any of them (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest in the Company, the remaining provisions of this *article 21* shall apply

21 2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each of the Shareholders to buy all of the Equity Shares held by each of the Shareholders on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Equity Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Equity Shares in connection with the Proposed Transfer or any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer.

21 3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to the Shareholders on the date of the Offer at least 10 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**) The Offer Notice shall specify

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer),
  - (b) the Offer Price and any other terms and conditions of the Offer,
  - (c) the Sale Date, and
  - (d) the number of Equity Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer
- 21 4 The completion of the Proposed Transfer shall be conditional in all respects on
- (a) the making of an Offer in accordance with this *article 21*, and
  - (b) the completion of the transfer of any Shares by any Shareholder if it accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this *article 21 4*
- 21 5 The Proposed Transfer is, but the purchase of Shares from any Shareholder pursuant to an Offer made under this *article 21* shall not be, subject to the pre-emption provisions of *article 18*

## 22. CO-SALE RIGHT

- 22 1 Other than in accordance with *article 20* or *article 21* or *article 23*, no transfer (other than a Permitted Transfer) of any of the Shares may be made or validly registered by a Shareholder (other than an NVM Investor) if it is in respect of more than 6% of the Equity Shares unless the relevant Shareholder and any Permitted Transferee of that Shareholder (each a **Selling Holder**) shall have observed the following procedures of this *article 22* unless the NVM Investors have determined in writing that this *article 22* shall not apply to such transfer.
- 22 2 After the Selling Holder has gone through the pre-emption process set out in *article 18*, the Selling Holder shall give the NVM Investors not less than 15 Business Days' notice in advance of the proposed sale (a **Co-Sale Notice**) The Co-Sale Notice shall specify.
- (a) the identity of the proposed purchaser (the **Purchaser**),
  - (b) the price per share which the Purchaser is proposing to pay,
  - (c) the manner in which the consideration is to be paid,

(d) the number of Equity Shares which the Selling Holder proposes to sell, and

(e) the address where the counter-notice should be sent

- 22.3 Each of the NVM Investors shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Holder 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 that NVM Investor wishes to sell. The maximum number (**N**) of shares which that NVM Investor can sell under this procedure shall be

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

where

**N** is the maximum number of shares which that NVM Investor can sell pursuant to this article 22,

**X** is the number of Equity Shares the Selling Holder proposes to sell,

**Y** is the total number of Equity Shares held by the Selling Holder,

**Z** is the number of Equity Shares held by that NVM Investor;

and if an NVM Investor does not send a counter-notice within such five Business Day period, that NVM Investor shall be deemed to have specified that it wishes to sell no shares

- 22.4 Following the expiry of five Business Days from the date an NVM Investor receives the Co-Sale Notice, the Selling Holder shall be entitled to sell to the Purchaser on the terms notified to that NVM Investor a number of shares not exceeding the number specified in the Co-Sale Notice, provided that at the same time the Purchaser (or another person) purchases from that NVM Investor the number of shares it has indicated it wishes to sell on terms no less favourable than those obtained by the Selling Holder from the Purchaser

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

- 22.6 Sales made in accordance with this *article 22* shall not be subject to *article 18*

**23 DRAG ALONG**

- 23.1 If the holders of 50% or more of the Equity Shares including the NVM Investors (the **Selling Shareholders**) wish to transfer all of their interest in Equity Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Equity Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Equity Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article 23*.
- 23.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify
- (a) that the Called Shareholders are required to transfer all their Equity Shares (**Called Shares**) pursuant to this *article 23*,
  - (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
  - (c) the consideration payable for the Called Shares calculated in accordance with *article 23.4*,
  - (d) the proposed date of completion of transfer of the Called Shares
- 23.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with NVM Investor Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of *article 12*. The consideration for which the NVM Investors shall be obliged to sell their Called Shares shall be restricted to cash or marketable securities.
- 23.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 23*.



- 23.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless
- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree, or
  - (b) that date is less than 5 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 5 Business Days after the date of service of the Drag Along Notice
- 23.7 Within 5 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the **Drag Completion Date**), the Called Shareholders shall deliver stock transfer forms for their Equity Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Equity Shares (or a suitable indemnity in respect thereof) to the Company. On the Drag Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to *article 23.4* to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to *article 23.4* shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to *article 23.4* in trust for the Called Shareholders without any obligation to pay interest.
- 23.8 To the extent that the Proposed Buyer has not, on the Drag Completion Date, put the Company in funds to pay the amounts due pursuant to *article 23.4*, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Equity Shares and the Called Shareholders shall have no further rights or obligations under this *article 22* in respect of their Equity Shares.
- 23.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate

shall not impede the registration of any transfer of Shares under this *article* 23

- 23 10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Equity Shares, whether or not pursuant to a share option scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Equity Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article* 23 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Equity Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this *article* 23 10 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Equity Shares
- 23 11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article* 18
- 23 12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice

## **DECISION-MAKING BY SHAREHOLDERS**

### **24. GENERAL MEETINGS**

- 24.1 No business other than, subject to *article* 24 2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on
- 24 2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

## **25 VOTING**

- 25 1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company
- 25 2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 25 3 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article
- 25 4 Model article 45(1) shall be amended by
- (a) the deletion of model article 45(1)(d) and its replacement 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"; and
  - (b) 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 model article

## **26. PURCHASE OF OWN SHARES**

Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, *article 13 2(b)*), the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of

- (a) £15,000, and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year

## **27. COMPANY'S LIEN OVER SHARES**

- 27 1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the

Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

**27 2 The Company's Lien over a share**

- (a) takes priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

**27 3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part**

**28. ENFORCEMENT OF THE COMPANY'S LIEN**

**28 1 Subject to the provisions of this *article 28*, if**

- (a) a Lien Enforcement Notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide.

**28 2 A Lien Enforcement Notice**

- (a) may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the Share or to a transferee of that holder, and
- (e) must state the Company's intention to sell the Share if the notice is not complied with

**28 3 Where Shares are sold under this *article 28***

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and

- (h) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 28 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
  - (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice
- 28 5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
  - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

## **ADMINISTRATIVE ARRANGEMENTS**

### **29. MEANS OF COMMUNICATION TO BE USED**

- 29 1 Subject to *article* 29.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
  - (b) If sent by fax, at the time of transmission, or
  - (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 00 am on the second Business Day after posting, or
  - (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting, or
  - (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery

receipt or at the time the notice, document or other information is left at the address, or

- (f) if sent or supplied by email, one hour after the notice, document or information was sent or supplied, or
- (g) 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, and
- (h) if deemed receipt under the previous paragraphs of this *article 29 1* would occur outside business hours (meaning 9 00 am to 5 30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9 00 on the day when business next starts in the place of deemed receipt For the purposes of this article, all references to time are to local time in the place of deemed receipt

29 2 To prove service, it is sufficient to prove that

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address, or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

29 3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website

29 4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

### **30. INDEMNITY AND INSURANCE**

30 1 Subject to *article 30 2*, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto, including any liability incurred by him in defending any civil or

criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs, and

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in *article 30 1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

30 2 This *article 30* does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

30 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

30 4 In this *article 30*

- (a) **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company), and
- (b) **Relevant Officer** means any director or other officer or former director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

### 31. DATA PROTECTION

31 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **Recipient**) for the purposes 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

31 2 The personal data that may be processed for such purposes under this *article 31* shall include any information which may have a bearing on the prudence

or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to

- (a) a Member of the Same Group as the Recipient (each a **Recipient Group Company**),
- (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company, and
- (c) funds managed by any of the Recipient Group Companies

31 3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so