

Company Number: 09395947

Companies Act 2006

WRITTEN RESOLUTIONS

OF

BRISTLR LIMITED T/A M14 INDUSTRIES (the "Company")

On 5th April 2016 the following Written Resolutions (such resolutions being passed as ordinary and special resolutions) were approved by the eligible members pursuant to sections 288 to 300 of the Companies Act 2006:

ORDINARY RESOLUTION

1 AUTHORITY TO ALLOT SHARES

THAT in accordance with section 551 of the Companies Act 2006 (the "**2006 Act**"), the Directors 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 £0 2836 provided that this authority is for a period expiring five years from the date of this resolution but 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 after such expiry 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 is in substitution for all subsisting authorities, to the extent unused.

SPECIAL RESOLUTIONS

2 DISAPPLICATION OF PRE-EMPTION RIGHTS

THAT subject to the passing of the resolution 1 and in accordance with section 570 of the 2006 Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by resolution 1 as if section 561(1) of the 2006 Act did not apply to any such allotment and all other pre-emption rights contained whether in the articles of association from time to time of the Company otherwise shall be waived in relation to any such allotment.

3 ARTICLES OF ASSOCIATION

THAT the articles of association attached to these written resolutions (the "**New Articles**") be and are hereby adopted as the articles of association of the Company in substitution for, and to the entire exclusion of, the existing articles of association.

.....
Director

FRIDAY



A55XPWKY
A32 29/04/2016 #503
COMPANIES HOUSE

ARTICLES OF ASSOCIATION

Of

BRISTLR LIMITED

Company Number: 09395947

Adopted on [5 April] 2016

CONTENTS

1	INTERPRETATION.	1
2	UNANIMOUS DECISIONS	4
3	CALLING A DIRECTORS' MEETING	5
4	QUORUM FOR DIRECTORS' MEETINGS	5
5	CASTING VOTE	5
6	TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY	5
7	DIRECTORS' CONFLICTS OF INTEREST	6
8	RECORDS OF DECISIONS TO BE KEPT	7
9	APPOINTMENT OF DIRECTORS	7
10	SECRETARY	7
11	ISSUE OF SHARES	7
12	PRE-EMPTION	7
13	Pre-emption rights of shareholders on transfers of Shares	9
14	PERMITTED TRANSFERS	12
15	COMPULSORY TRANSFERS	14
18	POLL VOTES	18
19	PROXIES	18
20	MEANS OF COMMUNICATION TO BE USED	18
21	INDEMNITY	19
22	INSURANCE	20
23	data protection	20

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BRISTLR LIMITED (THE "COMPANY")

(Adopted by special resolution passed on 5 April 2016)

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006,

Adoption Date: means the date of adoption of these Articles,

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

Board: means the board of directors of the Company,

Business Angels: means those persons designated as such in the Subscription Agreement,

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Compulsory Transfers: means a transfer of Shares by a Founder in accordance with Article 15;

Conflict: has the meaning given in article 7.1; **Directors:** means the directors of the Company,

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);

Effective Termination Date: means the date on which the Founder's employment or consultancy terminates whichever is the latest

Employee: means an individual who is employed by the Company or engaged (either directly or through an incorporated service company or a limited liability partnership) as a consultant by the Company,

Fair Value: a value as determined by the accountant for the time being of the Company on such bases as that accountant shall in his discretion see fit without applying any discount for a minority interest in Shares or premium for a majority interest in Shares save that in preparing such valuation the accountant shall make the assumptions set out in Article 13.3.11,

Family Member: as regards any particular individual member or deceased or former individual member -

- a) his spouse or civil partner or any former spouse or former civil partner, and
- b) his surviving spouse or civil partner or any former spouse or former civil partner, and
- c) all his lineal descendants and ascendants in direct line of that individual and their lineal descendants and a husband or wife or former husband or wife or widower or widow of any of the above persons. A step-child or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person and of the lineal ascendants of such person,

Founders: means John Kershaw,

FSMA: the Financial Services and Markets Act 2000,

Fund: means North East Finance (Subco) Limited (company number 07039229),

Holdco: means North East Finance (Holdco) Limited (company number 7000577),

Holdco Successor: means any direct or indirect subsidiary or holding company of Holdco or any financial institution having the same or similar objects to Holdco,

Interested Director. has the meaning given in article 7 1,

Investment Fund: means a fund, partnership, company, investment trust or other entity whose principal business is to make investments and whose business is managed by a person whose principal business is to make, manage or advise upon investments,

Investors: the Fund, the Business Angels and the New Investors,

Investor Consent: means consent in writing of an Investor Majority,

Investor Majority. the holder(s) for the time being of not less than 50% by nominal value of all Shares held by Investors from time to time

New Investors: means those persons defined as 'Investors' in the Supplemental Subscription Agreement

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

Permitted Transferee: means any person to whom a shareholder may transfer shares under article 14,

Potential Syndicates Limited: means Potential Syndicates Limited being a company registered in England and Wales with company number 07512451 whose registered office is situated at 1 The Square, Lightwater, Surrey, GU18 5SS

Relevant Securities. shall mean 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 a Share Option Scheme (and the issue of Shares on the exercise of any such options),
- b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Subscription Agreement or Supplemental Subscription Agreement,
- c) 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 Consent,
- d) any Shares issued pursuant to a warrant agreement to be issued to AXM securities dated on or around the date hereof,
- e) the grant of any options outside of a Share Option Scheme (and the issue of Shares on the exercise of any such options) pursuant to a share option agreement dated on or around the date hereof entered into between the Company and Potential Syndicates Limited

Shares. means any share forming part of the share capital of the Company from time to time,

Shareholders: means all or any of those persons whose names are entered in the register of members of the Company, and Shareholder shall mean any one of them,

Share Option Scheme: any share option or share option scheme of the Company which the Board identifies in writing (with Investor Consent) as being a Share Option Scheme for the purposes of these Articles;

Subscription Agreement: means the existing subscription letter agreement dated 11th June 2015 to which the Fund and the Business Angels subscribed for shares in the Company,

Supplemental Subscription Agreement: means the agreement between the Company, the Founders and the New Investors dated on or around the date hereof pursuant to which the New Investors subscribed for shares in the Company, and

Vesting Start Date means 11 June 2015.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise

- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company
- 1 9 Article 7 of the Model Articles shall be amended by
- 1 9 1 the insertion of the words "for the time being" at the end of article 7(2)(a), and
- 1 9 2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 10 Article 20 of the Model Articles shall be amended by the insertion of the words "and the secretary" before the words "properly incur"
- 1 11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1 14 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

DIRECTORS

2 UNANIMOUS DECISIONS

- 2 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

- 2 3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

3 CALLING A DIRECTORS' MEETING

- 3 1 Any director may call a directors' meeting by giving not less than 2 Business Days notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

4 QUORUM FOR DIRECTORS' MEETINGS

- 4.1 The quorum for the transaction of business at a meeting of directors is any one eligible director

5 CASTING VOTE

- 5 1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote
- 5 2 Article 5 1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with these Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting)

6 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 6 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he 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

6 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

6 1 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

6 1 3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,

6 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

6 1 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the Company is otherwise (directly or indirectly) interested; and

6 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or

arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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

7 DIRECTORS' CONFLICTS OF INTEREST

7 1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **"Interested Director"**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**"Conflict"**)

7 2 Any authorisation under this article 7 will be effective only if

7 2 1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

7 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

7 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

7 3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently)

7 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

7 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;

7 3 3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,

7 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,

7 3 5 provide that, where the Interested Director obtains, or has obtained (through his 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

7 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters

7 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

7 5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

7 6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

8 RECORDS OF DECISIONS TO BE KEPT

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

9 APPOINTMENT OF DIRECTORS

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

10 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

11 ISSUE OF SHARES

Any offer of shares to an Investor made pursuant to the provisions of the Act or otherwise shall, as that Investor may direct, entitle either

- a) that Investor, or
- b) any of that Investor's Permitted Transferees at the time at which such offer is made

to subscribe for such shares

12 PRE-EMPTION ON ISSUE OF FURTHER SHARES

12 1 Save to the extent authorised by these Articles, the Directors shall not, save with Investor Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares

12.2 Subject to the remaining provisions of this article 12, the Director is generally and unconditionally authorised, for the purposes of section 551 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

12.3 The authority referred to in Article 12.2

- a) shall be limited to a maximum nominal amount of £0.2836,
- b) shall only apply insofar as the Company in general meeting has not renewed, waived or revoked it, and

may only be exercised for a period of five years commencing on the Adoption Date, save that the Directors may make an offer or agreement which would, or might, require Relevant Securities to be allotted after the expiry of such authority (and the Directors may allot Relevant Securities in pursuance of an offer or agreement as if such authority had not expired)

12.4 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

12.5 Unless otherwise agreed by special resolution if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the Shareholders (on the date of the offer) (each an **Offeree**) on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by by each Shareholder bears to the total number of Shares held by all Shareholders (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

12.6 An offer made under article 12.5 shall

- c) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- d) remain open for a period of at least 14 Business Days from the date of service of the offer, and
- e) 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 12.5 shall, in his acceptance, state the number of excess Relevant Securities (Excess Securities) for which he wishes to subscribe

- 12 7 If, on the expiry of an offer made in accordance with article 12 5, 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

13 PRE-EMPTION RIGHTS OF SHAREHOLDERS ON TRANSFERS OF SHARES

- 13 1 In these Articles reference to the transfer of Shares includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share

- 13 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is in accordance with these Articles

- 13 3 Subject to Articles 14, 16 and 17 Shareholders shall not transfer any Shares, except in the circumstances set out in Articles 13 3 1 to 13 3 12 inclusive and, for the avoidance of doubt and without prejudice to the generality of Article 26 of the Model Articles, the Board may refuse to register the transfer of any Shares, if they have not been transferred in accordance with Articles 13 3 1 to 13 3 12 inclusive

- 13 3 1 Any Shareholder who wishes to transfer any Shares (the **Transferring Shareholder**) shall before transferring or agreeing to transfer such Shares (the **Transferring Shares**) or any interest in them, give irrevocable written notice to the Company setting out the information contained in Article 13 3.3 (a **Transfer Notice**)

- 13 3 2 A Shareholder shall be deemed to have delivered a Transfer Notice (a **"Deemed Transfer Notice"**)

- a) if that person, being an individual, becomes entitled to Shares in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) or the death of a Shareholder, then that Shareholder shall be deemed to have given a Transfer Notice in respect of all of the Shares then held by him at such time as the Directors (acting with investor Consent) may determine,

- b) if that person being a body corporate, either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales, then that Shareholder shall be deemed to have given a Transfer Notice in respect of all the Shares then held by it at such time as the Directors (acting with Investor Consent) may determine, or

- c) as set out in accordance with Article 14 1 and Article 14 2

- 13 3 3 The Transfer Notice or Deemed Transfer Notice shall specify or be deemed to specify (as applicable)

- a) the number of Transferring Shares that are the subject matter of the Transfer Notice or Deemed Transfer Notice (as applicable), in the case of a Transfer Notice shall be the number of Transferring Shares that the Transferring Shareholder wishes to transfer, or in the case of a Deemed Transfer Notice

shall be the total number of Shares then held by the Shareholder or the Permitted Transferee as appropriate, save for a Deemed Transfer Notice relating to a Departing Employee or his Permitted Transferees (in which case the number of Transferring Shares that are subject to the Deemed Transfer Notice shall be determined in accordance with Articles 15 1 and Article 15 2), and

- b) the price (in cash) and any other consideration, at which the Transferring Shareholder wishes to transfer the Transferring Shares (which shall be the price offered to the Transferring Shareholder by a bona fide third party for the Transferring Shares, or in the absence of such an offer or in the case of a Deemed Transfer Notice, calculated in accordance with Article 13 3 10 and 13 3 11 or Article 15 in the case of a Proposing Transferor (as applicable), in which case the Transfer Notice or Deemed Transfer Notice (as applicable) shall not specify a price) (the **Price**)

13 3 4 As soon as practicable following the later of

- a) receipt of a Transfer Notice, or
- b) where the Price has not been specified, or a Deemed Transfer Notice has been served, the determination of the Price in accordance with Article 13 3 3 (b),

the Board shall offer the Transferring Shares for sale in the manner set out in Article 13 3 5 to Article 13 3 7 Each offer shall be in writing and give details of the number and the Price of the Transferring Shares offered

13 3 5 The Board shall offer the Transferring Shares for sale as follows

- a) first to the Company, which shall have the option to buy-back all or some of the Transferring Shares, subject to Board approval and compliance with applicable law, and
- b) in the absence of the Company exercising its option to purchase all or any of the Transferring Shares under Article 13 3.5 (a) any remaining Transferring Shares will be offered for sale to the Shareholders (excluding the Transferring Shareholder), inviting those Shareholders to state by notice in writing to the Company within 10 Business Days of the offer by the Board (the "**First Offer Period**"), whether they are willing to purchase at the Price, such number of Transferring Shares as corresponds to the proportion of the Shares held by them respectively

13 3 6 Each Shareholder who wishes to purchase the Shares offered to him in accordance with Article 13 3 4 above, (a "**Purchasing Shareholder**") may within the First Offer Period, serve notice on the Board specifying how many Transferring Shares he wishes to purchase

13 3 7 If following the expiry of the First Offer Period there remain Transferring Shares not accepted by Shareholders, the Board shall reoffer the unaccepted Transferring Shares to the Purchasing Shareholders within a further 10 Business Days, in the appropriate proportions until such time as the Transferring Shares are exhausted or no further acceptances are

forthcoming from Purchasing Shareholders and the Board shall conduct such process as it sees fit

13 3 8 Subject to Article 13 3 9 any Transferring Shares not accepted pursuant to Articles 13 3 5 to 13 3 7 inclusive may be transferred by the Transferring Shareholder to any person, provided the transfer is at the Price and takes place within 60 Business Days of the end of the First Offer Period

13 3 9 The Transferring Shareholders right to transfer Shares under Article 13 3.8 does not apply if

- a) the transferee is a person (or a nominee for a person) whom an Investor Majority determines to be a competitor (or a member of the same group as a competitor) of the business of any Group Company,
- b) the sale of the Transferring Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- c) the Transferring Shareholder has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 13 3 9 (b)

13 3 10 subject to Article 15 with respect to Compulsory Transfers, if there is no bona fide third party offer for any of the Transferring Shares, the Price shall be such price per Transferring Share as may be determined by the accountants for the time being of the Company as the Fair Value thereof The Board shall instruct such accountants to specify such Fair Value as soon as practicable upon receipt of the Transfer Notice not having the Price specified therein and the accountant's costs and expenses shall be borne equally by the Company and the Transferring Shareholder

13 3 11 In determining the Fair Value of the Transferring Shares, the accountants will rely on the following assumptions, the sale is between a willing seller and a willing buyer of the Transferring Shares, the Company is carrying on its business as a going concern and shall continue to do so, the Transferring Shares are sold free of all restrictions, liens, charges and other encumbrances and the sale is taking place on the date the accountants were instructed to calculate the fair value

13 3 12 Following completion of the procedure in respect of the Transferring Shares set out in the earlier provisions of this Article 13, the Transferring Shareholder shall sell the Transferring Shares as required and shall execute and deliver to the Board stock transfer forms relating to the Transferring Shares as required by the Board against receipt of the Price which the Board may receive from and transfer on behalf of purchasers However, if the Transferring Shareholder fails to comply with this Article 13 3 12, the Chairman of the Company (or, failing him, one of the Directors, or some other person nominated by a resolution of the Board) may, on behalf of the Transferring Shareholder

- a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Transferring Shares to the applicable persons,

- b) receive the Price and give a good discharge for it,
- c) (subject to the transfer being duly stamped) enter the recipients of the Transferring Shares in the register of Shareholders as the holders of the Transferring Shares purchased by them, and
- d) the Company shall pay the Price into a separate bank account in the Company's name on trust (but without interest) for the Transferring Shareholder until he has delivered his certificate 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

14 PERMITTED TRANSFERS

Notwithstanding any other provision of these Articles, the transfers set out in this article 14 shall be permitted without restriction and the powers of the Directors to refuse to register transfers pursuant to article 26(5) of the Model Articles shall not apply to the transfers set out in this article 14

14 1 Permitted Transfers by any Investor

- 14 1 1 Any Investor who is a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a "Related Company") but if a Related Company whilst it is a holder of shares shall cease to be a Related Company in relation to the body first holding the relevant shares it shall, within 15 Business Days of so ceasing, transfer the shares held by it to such body
- 14 1 2 The Fund shall be entitled to transfer all or any of its Shares to Holdco or to a Holdco Successor and Holdco shall be entitled to transfer all or any of its Shares to a Holdco Successor
- 14 1 3 Any Investor may transfer all or any of its shares to any person, body, firm or partnership whose business comprises to a material extent the holding for investment purposes of securities in and/or the provision of debt and other financial facilities to United Kingdom unlisted companies and includes any subsidiary, nominee, custodian or manager used by such person, firm or partnership to hold such investments or to make available such facilities
- 14 1 4 An Investor who is an Investment Fund may transfer shares to
 - (a) any unitholder, shareholder, partner, participant in or manager of (or any employee of such manager) the Investment Fund,
 - (b) any other Investment Fund managed or advised by the same manager as the transferring Investment Fund or to any Related Company of such manager,

(c) any trustee or nominee of or custodian for the Investment Fund or any other transferee under articles 14 1 1, 14 1 4 (a) or 14 1 4 (b)

14 1 5 Any Investor which is a limited partnership may transfer Shares to any partner in such limited partnership acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership)

14 1 6 Any shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of section 235 of FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question

14 1 7 Any Investor who is a trustee or nominee of or a custodian for an Investment Fund shall be entitled to transfer all or any of its shares to the Investment Fund or to any of the persons referred to in articles 14 1 1, 14 1 4(a), 14 1 4(b) or 14 1 4 (c)

14 2 Permitted Transfers by Individuals

14 2 1 Subject to articles 14 2 2 to 14 2 4 inclusive, any shareholder who is an individual may at any time transfer shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be a Family Member of his

14 2 2 No shares shall be transferred under article 14 2 1 by an individual who previously acquired those shares by way of transfer under article 14 2 1 save to another individual who is a Family Member of the original holder of such shares.

14 2 3 If

(a) any person has acquired shares as a Family Member of a shareholder by way of one or more transfers permitted under this article 14 2, and

(b) that person ceases to be a Family Member of that shareholder

14 2 4 that person shall forthwith transfer all the shares then held by that person back to that shareholder, for such consideration as they agree, within 15 Business Days of the cessation

14.2 5 If the personal representatives of a deceased shareholder are permitted under these Articles to become registered as the shareholders of any of the deceased shareholder's shares and elect to do so, those shares may at any time be transferred by those personal representatives under article 14 2 1 to any person to whom the deceased shareholder could have transferred such shares under this article 14 if he had remained the shareholder of them. No other transfer of such shares by personal representatives shall be permitted under this article 14

15 COMPULSORY TRANSFERS

15 1 If a Founder ceases to be an Employee (the "Proposing Transferor") the Founder will be deemed to have delivered a transfer notice (**Compulsory Transfer Notice**) to the Company on the last day of the Proposing Transferor's employment, consultancy or directorship with the Company. The Compulsory Transfer Notice shall be in the form of a Transfer Notice and will constitute an offer by the Proposing Transferor to sell a proportion of the Proposing Transferor's shareholding at par to the other Shareholders proportionately to their existing holding of Shares and except with the unanimous written consent of each director of the Company (excluding for these purposes the Proposing Transferor), the proportion of the Founder's Shares to be so offered under the Transfer Notice (the "**Offered Shares**") shall be as follows

- 15 1 1 100% if the Effective Termination Date occurs within 12 months of the Vesting Start Date for that Founder,
- 15 1 2 75% if the Effective Termination Date occurs after 12 months but within 15 months of the Vesting Start Date for that Founder,
- 15 1 3 68 75% if the Effective Termination Date occurs after 15 months but within 18 months of the Vesting Start Date for that Founder,
- 15 1 4 62 5% if the Effective Termination Date occurs after 18 months but within 21 months of the Vesting Start Date for that Founder,
- 15 1 5 56 25% if the Effective Termination Date occurs after 21 months but within 24 months of the Vesting Start Date for that Founder,
- 15 1 6 50% if the Effective Termination Date occurs after 24 months but within 27 months of the Vesting Start Date for that Founder,
- 15 1 7 43 75% if the Effective Termination Date occurs after 27 months but within 30 months of the Vesting Start Date for that Founder,
- 15 1 8 37 5% if the Effective Termination Date occurs after 30 months but within 33 months of the Vesting Start Date for that Founder,
- 15 1 9 31 25% if the Effective Termination Date occurs after 33 months but within 36 months of the Vesting Start Date for that Founder,
- 15 1 10 25% if the Effective Termination Date occurs after 36 months but within 39 months of the Vesting Start Date for that Founder,
- 15 1 11 18 75% if the Effective Termination Date occurs after 39 months but within 42 months of the Vesting Start Date for that Founder,
- 15 1 12 12 5% if the Effective Termination Date occurs after 42 months but within 45 months of the Vesting Start Date for that Founder,
- 15 1 13 6 25% if the Effective Termination Date occurs after 45 months but within 48 months of the Vesting Start Date for that Founder, or
- 15 1 14 0% if the Effective Termination Date occurs after 48 months of the Vesting Start Date for that Founder

- 15 2 If the Proposing Transferor after having become bound makes default in transferring the Offered Shares, the Company may receive the purchase money on his behalf, and may permit a duly authorised individual to execute a transfer of such shares on behalf of the Proposing Transferor in favour of the purchasing shareholders. For the purposes of authorising an individual to execute a transfer on behalf of the Proposing Transferor in accordance with this article 15 2, a meeting of the Directors shall be treated as quorate and a resolution shall be capable of being duly passed without the need for the Proposing Transferor being present, represented or voting. The receipt by the Company of the purchase money shall constitute a good discharge to the purchasing shareholders. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor.

16 DRAG ALONG

- 16 1 Subject to approval by Investor Majority, if the holders of not less than 50% by nominal value of ordinary shares (the **Selling Shareholders**) wish to transfer all of their interest in 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 Shares on the date of the request (Called Shareholders) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 16.
- 16 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
- 16 2 1 that the Called Shareholders are required to transfer all their Shares (Called Shares) pursuant to this article 16,
 - 16 2 2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
 - 16 2 3 the consideration payable for the Called Shares calculated in accordance with article 16 4,
 - 16 2 4 the proposed date of completion of transfer of the Called Shares.
- 16 3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with 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 20 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.
- 16 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 this agreement.

- 16.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 16
- 16.6 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
- 16.6.1 all of the Called Shareholders and the Selling Shareholders otherwise agree, or
- 16.6.2 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
- 16.7 Within 5 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 3 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 16.4 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 16.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 16.4 in trust for the Called Shareholders without any obligation to pay interest
- 16.8 To the extent that the Proposed Buyer has not, on the expiration of the 5 Business Day period referred to in Article 16.7, put the Company in funds to pay the amounts due pursuant to article 16.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 16 in respect of their Shares
- 16.9 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 and attorney 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 16
- 16.10 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 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 Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 16 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such 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 16.10 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 Shares.

- 16.11 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 provisions of Article 13 (Pre-emption).
- 16.12 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.

17 TAG ALONG

- 17.1 No transfer (other than a Permitted Transfer) of any Shares held by a Shareholder may be made or validly registered if it is in respect of less than 100% of the Share capital, unless the relevant Shareholder (a **Selling Shareholder**) has observed the procedures set out in this Article 17.

- 17.2 The Selling Shareholders shall give each holder of Shares (an Equity Holder) at least 10 Business Days' notice in advance of the proposed sale (a Tag Along Notice). The Tag Along Notice shall specify

17.2.1 the identity of the proposed purchaser (**Buyer**),

(a) the price per share that the Buyer proposes to pay,

(b) the manner in which the consideration is to be paid, and

(c) the number of Shares that the Selling Shareholder proposes to sell.

- 17.3 Each Equity Holder shall, within five Business Days following receipt of the Tag Along Notice, notify the Selling Shareholder that it wants to sell a certain number of Shares held by it at the proposed sale price. Such notification shall be made by delivering a written counter-notice to the Selling Shareholder which shall specify the number of Shares that the Equity Holder wants to sell. The maximum number of shares that an Equity Holder can sell under this procedure shall be

$$X/Y \times Z$$

where

X is the number of Shares held by the Equity Holder

Y is the total number of Shares

Z is the number of Shares the Selling Shareholder proposes to sell

- 15 4 Any Equity Holder that does not send a counter-notice within that 10 Business Day period shall be deemed to have specified that they do not want to sell any Shares
- 15 5 After the expiry of 10 Business Day period from the date that the Equity Holders receive the Tag Along Notice, the Selling Shareholder shall be entitled to sell to the Buyer (on the terms notified to the Equity Holders) a number of shares not exceeding the number specified in the Tag Along Notice, less any Shares that the Equity Holders have indicated that they want to sell. Provided that, at the same time, the Buyer (or another person) buys from the Equity Holders the number of Shares that they have respectively indicated they want to sell on terms no less favourable than those obtained by the Selling Shareholder from the Buyer
- 15 6 No sale by the Selling Shareholder shall be made pursuant to any Tag Along Notice more than 3 months after service of that Tag Along Notice
- 15 7 Sales made in accordance with this Article shall not be subject to pre-emption

DECISION MAKING BY SHAREHOLDERS

18 POLL VOTES

- 18 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 18 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

19 PROXIES

- 19 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 19 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

ADMINISTRATIVE ARRANGEMENTS

20 MEANS OF COMMUNICATION TO BE USED

- 20 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- 20 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the

United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

- 20 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 20 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 20 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

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

- 20 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

21 INDEMNITY

- 21 1 Subject to article 21 2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled
 - 21 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him 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 any associated company's) affairs, and
 - 21 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 21 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure
- 21 2 This article 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
- 21 3 In this article
 - 21 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

- 21 3 2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

22 INSURANCE

- 22 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

- 22 2 In this article

- 22 2 1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

- 22 2 2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and

- 22 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

23 DATA PROTECTION

- 23 1 Each of the shareholders and Directors (from time to time) consent of the processing of their personal data by the Company, its shareholders and Directors (each a "Recipient") for due diligence exercise, 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

- 23 2 The personal data that may be processed for such purposes under this article 23 shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company other than as required by law, court order or any regulated authority, that personal data shall not be disclosed by a Recipient or any other person, except to

- 23 2 1 a member of the same group as the Recipient ("**Recipient Group Companies**"),

- 23 2 2 to employees, Directors and professional advisors of that Recipient or the Recipient Group Companies, and

- 23 2 3 to Investment Funds managed by any of the Recipient Group Companies

- 23 3 Each of the shareholders and Directors consent 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