

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF**

**U-FLOOR TECHNOLOGIES LTD (the "Company") (Company Number: 10017714)
(Adopted by special resolution passed on 01 December 2022)**

1. Interpretation

1.1. In these Articles, unless the context otherwise requires:

A Issue Price	means a price per A Share equal to the amount subscribed or deemed to have been subscribed (including premium) for such A Share (which in the case of any A Share converted from a convertible security or similar instrument shall be the conversion price on such conversion after accounting for any discount), together with a sum equal to any Arrears;
A Shares	means the A Shares of £0.001 each in the capital of the Company and references to an A Shareholder means a holder of any of those shares;
AC	means Agnes Czako;
AW	means Andrew Wordsworth;
Act or the Companies Act	means the Companies Act 2006 (as amended from time to time);
Acting in Concert	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
Articles	means these articles of association of the Company;
Arrears	means in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that Share;
Asset Sale	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property

not entered into in the ordinary course of business);

Associate

in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986;
- (b) any Member of the same Group;
- (c) any Member of the same Fund Group;

Auditors

means the auditors of the Company from time to time;

Available Profits

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

Bad Leaver

means an Employee who (i) commits material breach of the Shareholders' Agreement which cannot be remedied to the satisfaction of the Board acting with Investor Director Consent; and/or (ii) is declared bankrupt or makes any arrangement with or for the benefit of his creditors or has a county court administration order made against him under the County Court Act 1984; and/or (iii) ceases to be an Employee at any time as a consequence of:

- (a) such person's resignation as an Employee in circumstances where the Company or the relevant member of the Group would have been entitled to dismiss the Employee for Cause; or
- (b) that person's dismissal as an Employee for Cause, where "**Cause**" shall mean:
 - (i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or
 - (ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996;

Barclays

means Sustainable Impact Capital Limited, a company incorporated under the laws of England and Wales with registration number 02052321;

Barclays Director

has the meaning given in Article 25.3;

Beneficial Owners

means the beneficial owners set forth on the Seedrs Platform who, from time to time, have beneficial ownership in the Shares for which the Nominated

	Custodian is registered as the legal owner;
Board	means the board of Directors;
Bonus Issue or Reorganisation	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or subdivision or redenomination or any repurchase or redemption of or any variation in the subscription price or conversion rate 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 Article 21.6;
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;
Called Shares	has the meaning given in Article 19.2.1;
Called Shareholder	has the meaning given in Article 19.1;
Civil Partner	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
Controlling Interest	means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
Date of Adoption	means 01 December 2022;
Deferred Conversion Date	means the date that Shares convert into Deferred Shares pursuant to Article 11.11 or 16.4;
Deferred Shares	means deferred shares of £0.001 each in the capital of the Company from time to time;
Directors	means the directors of the Company from time to time, and Director means any one of them;
Drag Along Notice	has the meaning set out in Article 19.2;
Drag Along Option	has the meaning set out in Article 19.1;
Drag Completion Date	has the meaning set out in Article 19.6;
Drag Consideration	has the meaning set out in Article 19.4;
Drag Documents	has the meaning set out in Article 19.6;
Drag Purchaser	has the meaning given in Article 19.1;
EIS Investors	means those parties wishing to claim EIS Relief in

	relation to their shareholdings in the Company;
EIS Relief	means income tax relief and/or exemption from tax in respect of chargeable gains which is available under the Enterprise Investment Scheme as particularised in Part 5 of the Income Tax Act 2007 and sections 150A, B and C of the Taxation of Chargeable Gains Act 1992 (in each case as inserted and/or amended by the Finance Acts 1994 to 1999 inclusive);
electronic address	has the same meaning as in section 333 of the Act;
electronic form and electronic means	have the same meaning as in section 1168 of the Act;
Eligible Director	means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
Employee	means an individual who is a director, employed by, or who provides consultancy or advisory services to, the Company or any member of the Group;
Employee Shareholder	means a registered holder of Employee Shares;
Employee Shares	in relation to an Employee means all Shares held by: <ul style="list-style-type: none"> (a) the Employee in question; and (b) any Permitted Transferee of that Employee other than those Shares held by those persons that the Board (acting reasonably and with Investor Director Consent) is satisfied were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee;
Effective Termination Date	means the date on which an Employee gives or is given notice to terminate his employment or consultancy with the Company or any member of the Group;
Encumbrance	means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);
Equity Incentive Plan(s)	means any equity incentive plan operated by the Company to incentivise its Employees from time to time;

Equity Securities	means any Shares or other securities convertible into, or carrying the right to subscribe for Shares;
Equity Shares	means the Shares other than the Deferred Shares;
Family Trusts	means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
Financial Year	means a financial year as determined in accordance with section 390 of the Act;
Founders	means AC and SVDC;
Founder Shares	means Shares held by a Founder;
Fund Manager	means a person whose principal business is to make, manage or advise upon investments in securities;
GAS	has the meaning given to it in the Shareholders' Agreement;
Good Leaver	means an Employee who is not a Bad Leaver;
Group	means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly;
hard copy form	has the same meaning as in section 1168 of the Act;
Holding Company	means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares, if any) immediately prior to the transfer of the issued share capital of the Company to such holding company;

Investor or Investors	means any person who is designated as an “Investor” in the Shareholders’ Agreement;
Investor Director	means the Nesta Director, the Barclays Director and each other Director appointed pursuant to Article 25.4;
Investor Director Consent	means the consent of the majority of Investor Directors;
Investor Shares	means Shares held by an Investor;
IPO	means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);
ITEPA	means Income Tax (Earnings and Pensions) Act 2003;
Lien Enforcement Notice	has the meaning given in Article 37.3;
Major Shareholder	means: (i) Barclays, NPL, and any other Shareholder or Shareholder Syndicate Group, in each case for as long as they hold not less than 10% of the A Shares then in issue; and (ii) Seedrs for as long as the Seedrs Nominated Custodian holds not less than 10% of the Investor Shares then in issue;
Major Shareholder Consent	means the consent of all of the Major Shareholders;
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>) as amended prior to the Date of Adoption and for ease of reference annexed as Appendix 1 to these Articles;
a Member of the same Fund Group	<p>means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an “Investment Fund”) or is a nominee of that Investment Fund:</p> <p>(i) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of</p>

business);

(ii) any Investment Fund managed or advised by that Fund Manager;

(iii) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or

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

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

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

Nesta Director has the meaning given in Article 25.2;

New Securities means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 21.6) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

NPL Nesta Partners Limited, a company incorporated under the laws of England and Wales with registration number 06618114;

Ordinary Shares means the Ordinary Shares of £0.001 each in the capital of the Company and references to an Ordinary Shareholder means a holder of any of those shares;

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

Permitted Transferee means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) (other than the Seedrs Nominated Custodian), means any Member of the same Group;
- (c) in relation to the Seedrs Nominated Custodian
 - (i) any replacement nominee company provided that the transfer is of the

entirety of the shareholding held by the Seedrs Nominated Custodian; or

- (ii) any person who is the Beneficial Owner of any of the Shares for which the Seedrs Nominated Custodian is registered as the legal owner;
- (d) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group; and
- (e) in relation to an Investor:
 - (i) to any Member of the same Group;
 - (ii) to any Member of the same Fund Group;
 - (iii) to any nominee of that Investor; or
 - (iv) to any person that a majority of the Directors acting with Investor Director Consent agree should otherwise be deemed a Permitted Transferee;

Privileged Relation	in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);
Proceeds	has the meaning given in Article 6.1;
Proceeds of Sale	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, costs and expenses payable in respect of such Share Sale;
Proposed Purchaser	means a proposed purchaser who at the relevant time has made a bona fide offer on arm's length terms;
Proposed Seller	means any person proposing to transfer any shares in the capital of the Company;
Qualifying Company	means a company in which a Shareholder (or Trustee(s)) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the Corporation Tax Act 2010);
Qualifying Person	has the meaning set out in section 318(3) of the Act;

Regulatory Authority	has the meaning given to it in the Shareholders' Agreement;
Regulatory Requirements	means any applicable laws and any legally binding rules and regulations issued by, or requirements of, a Regulatory Authority to which any applicable Shareholder is subject, including any internal policies adopted by such applicable Shareholder or any Member of the Same Group as such Shareholder to transpose such laws, requirements, rules and regulations into its business;
Relevant Interest	has the meaning set out in Article 33.4;
Relevant Period	means 48 months from the Date of Adoption;
Sanctioned Person	means, at any time, any person that is: (i) the target of Sanctions, including, but not limited to, any person listed on any Sanctions-related list of designated persons maintained by any Sanctions Authority; (ii) located, organised or resident in a Sanctioned Territory; (iii) governmental agency, instrumentality, authority, body or state-owned enterprise of a government of any Sanctioned Territory; or (iv) owned or controlled, directly or indirectly, by any of the persons mentioned in (i), (ii) or (iii);
Sanctioned Territory	means any country or territory which is itself, or whose government is, the target of comprehensive country-or-territory-wide Sanctions, which presently includes Iran, North Korea, Cuba, Syria, the Crimean region of Ukraine, and for the purposes of this Agreement, the Government of Venezuela;
Sanctions	means any economic, trade, or financial sanctions laws, regulations, embargoes, restrictive measures or other similar measures enacted, administered, imposed or enforced by any Sanctions Authority or any similar sanctions maintained in other applicable jurisdictions;
Sanctions Authority	means any relevant government, agency or legislature in the United States, the United Kingdom, the European Union or its member States, or other relevant jurisdiction, including but not limited to: the U.S. Treasury Department's Office of Foreign Asset Control (OFAC), the U.S. State Department, the United Nations Security Council, and His Majesty's Treasury;
Shares	means the Ordinary Shares, Deferred Shares and the A Shares from time to time;
Shareholder	means a holder of any Shares;
Shareholder Syndicate	means a syndicated group of Shareholders (being GAS only in respect of all Shareholders as at the Date of

Group	Adoption);
Shareholders' Agreement	means the Shareholders' Agreement entered into by and among the Company and the Shareholders dated on or around the Date of Adoption, as amended from time to time;
Seedrs	means Seedrs Limited, incorporated with company number 06848016 and whose registered office is at Churchill House, 142-146 Old Street, London, EC1V 9BW;
Seedrs Nominated Custodian	means Seedrs Nominees Limited, incorporated with company number 08756825 and whose registered office is at Churchill House, 142-146 Old Street, London, EC1V 9BW;
Share Sale	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
Social Purpose	has the meaning set out in Article 5.1;
Subsidiary, Subsidiary Undertaking and Parent Undertaking	have the respective meanings set out in sections 1159 and 1162 of the Act;
SVDC	means Sustainable Venture Development Capital LLP;
Tag Shareholder(s)	shall have the meaning given in Article 18.1;
Transfer Notice	shall have the meaning set out in Article 11.3;
Transfer Price	shall have the meaning set out in Article 13.2;
Treasury Shares	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;
Trustees	in relation to a Shareholder means the trustee or the trustees of a Family Trust;
Unacceptable Purchaser	means a person or corporate body: (i) who is involved in the production, distribution or sale of arms, illegal drugs, tobacco products, alcoholic drinks and/or pornography or (ii) whose activities pose or could pose a threat to national security;

Unvested means any Employee Shares which are not Vested; and

Vested means:

- (a) 0% of the Employees Shares if that Employee's Effective Termination Date is before the first anniversary of the Date of Adoption;
- (b) thereafter, the percentage of Employee Shares (rounded to the nearest two decimal places) as calculated using the formula below:

$$25 + ((1/36 \times 75) \times NM)$$

where NM = number of full calendar months from the date immediately following the first anniversary of the Date of Adoption (the "**Vesting Date**") to the relevant Employee's Effective Termination Date such that the percentage of Vested Employee Shares shall be 100% on the first day of the 37th month after the Vesting Date and thereafter.

- 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 Companies 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 following those terms.
- 1.7. The singular includes the plural, the masculine includes the feminine and, in each case, vice versa.
- 1.8. The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.9. In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of either the Nesta Director and/or the Barclays Director under these Articles, if at any time either the Nesta Director and/or the Barclays Director has not been appointed or the Nesta Director and/or the Barclays Director declares in writing to the Company and the Investors that they

consider that providing such consent gives rise or may give rise to a conflict of interest to their duties as a Director, such action or matter shall require the written consent of either NPL and/or Barclays, as applicable (in lieu of the relevant Investor Director they appointed).

1.10. In these Articles:

- 1.10.1. Articles 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4) and 51 of the Model Articles shall not apply to the Company;
- 1.10.2. reference to "issued Shares" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
- 1.10.3. reference to the "holders" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2. Share capital

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

3. Dividends

- 3.1. In respect of any Financial Year, the Company's Available Profits will be applied as

set out in this Article 3.

- 3.2. Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if the Equity Shares constituted one class of shares) pro rata to their respective holdings of Equity Shares.
- 3.3. Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period (acting with Major Shareholder Consent).
- 3.4. Every dividend shall accrue on a daily basis (assuming a 365 day year). All dividends are expressed net and shall be paid in cash.
- 3.5. If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 3.6. A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 3.7. If:
 - (a) a Share is subject to the Company's Lien; and
 - (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share and/or used to discharge any other indebtedness owing from the holder of that Share to the Company (as the Board may decide). The Company shall notify the distribution recipient in writing of:
 - (i) the fact and sum of any such deduction;
 - (ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - (iii) how the money deducted has been applied.
- 3.8. Article 31(1) of the Model Articles shall be amended by:
 - (a) the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
 - (b) the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

4. General meetings

- 4.1. If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 4.2. The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article

41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Equity Shares (excluding Treasury Shares), any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

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

5. Social Purpose

5.1. The Company exists:

- (a) to:
 - (i) provide innovative energy efficiency solutions that help to reduce energy bills and their associated carbon emissions, thereby helping to alleviate fuel poverty;
 - (ii) only undertake activities which are considered (through supporting evidence, account of impact or otherwise), to contribute to the Company's purpose as set out in these Articles;
 - (iii) consider what, if any detriment or harm may result from the Company's activities and be satisfied that this does not outweigh the benefit;
 - (iv) ensure, by means of pricing and/or distribution, that its products and services, now and in the future, are accessible to the public in general or a section of the public (as appropriate to the Company's purpose and the relevant product or service); and
 - (v) ensure that any personal benefits are a by-product of activities which pursue the Company's purpose,
(the "**Social Purpose**"); and

- (b) to be commercially successful in its chosen markets and to meet its obligations to Shareholders and other direct stakeholders including achieving appropriate financial returns whilst having regard to the Social Purpose (the "**Commercial Purpose**").
- 5.2. The Company may do all such lawful things as may further the Social Purpose and the Commercial Purpose.
- 5.3. No changes to Article 5 may be effected except by written special resolution (with the prior written consent of NPL having been obtained).
- 6. Capital**
- 6.1. On a return of capital on liquidation, and on any other return of capital (whether as a result of a capital reduction or otherwise) other than a conversion, redemption or purchase of Shares, the surplus assets of the Company remaining after the payment of its liabilities (**Proceeds**) shall be applied (to the extent that the Company is lawfully permitted to do so) as follows:
 - 6.1.1. first, until such time as each A Shareholder has received an amount equal to the A Issue Price in respect of each A Share held by that A Shareholder:
 - 6.1.1.1. £1 (in aggregate) to the holders of the Deferred Shares, if any, (and payment of £1 to any one holder of Deferred Shares shall be deemed to satisfy this entitlement);
 - 6.1.1.2. In respect of the balance of Proceeds:
 - (i) the holders of A Shares shall receive 99.99% of such Proceeds pro rata to the number of A Shares held by them; and
 - (ii) the holders of Ordinary Shares shall receive 0.01% of such Proceeds pro rata to the number of Ordinary Shares held by them.
 - 6.1.2. Second, any remaining Proceeds after the payments in Article 6.1.1 shall be distributed as follows until such time as the Ordinary Shareholders have received an amount per share equal to the A Issue Price:
 - (i) 0.01% of such Proceeds shall be paid to the holders of A Shares pro rata to the number of A Shares held by them;
 - (ii) 99.99% of such Proceeds shall be paid to the holders of Ordinary Shares pro rata to the number of Ordinary Shares held;
 - 6.1.3. Lastly, any remaining Proceeds after the payments pursuant to Article 6.1.2 shall be distributed amongst holders of the Equity Shares pro rata to the number of Equity Shares held by them (as if the Equity Shares constituted one and the same class).

7. Exit provisions

- 7.1. On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 6 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
 - 7.1.1. the Directors shall not be prohibited from registering the transfer of

the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 6; and

- 7.1.2. the Shareholders shall take any action required by the Board, acting with Investor Director Consent, to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 6.

- 7.2. On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 6 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Board, acting with Investor Director Consent (including, but without prejudice to the generality of this Article 7.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 6 applies.
- 7.3. Should an IPO occur, each A Shareholder's proportion of the proceeds shall be equal to the proportion of the proceeds that member would have been entitled to receive on a Share Sale pursuant to Article 6.

Rights and Obligations on Exit

- 7.4. In the event of:
 - 7.4.1. the admission of some or all of the Shares on a recognised investment exchange (an “IPO”);
 - 7.4.2. a sale of Shares (in one transaction or as a series of transactions) resulting in the purchaser (or those Acting in Concert with him) acquiring a Controlling Interest (except where following completion of the sale the Shareholders and the proportion of Shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale); or
 - 7.4.3. the disposal by the Company of all or substantially all of its undertaking and assets,

(each an “**Exit Event**”), none of the Investors, the Investor Directors, the Beneficial Owners nor the Seedrs Nominated Custodian shall be obliged to:

- 7.4.4. give warranties or indemnities (except a warranty on a several basis in respect of itself only and its Shares only as to authority, due execution, enforceability, capacity and title to the Shares held by such Shareholder or the Seedrs Nominated Custodian (as applicable)); or
- 7.4.5. agree to any restrictive covenants, any lock-up arrangements or similar terms in relation to an Exit Event, except in the event of an IPO where this is a requirement of the recognised investment exchange on which the Shares are being listed, in which case: (i) such lock-up arrangements shall be proportionate to the Shareholders' shareholdings, and shall be on customary terms and (except as agreed in writing with any of the Major Shareholders or the Seedrs Nominated Custodian in respect of the Shares held by them only) the same terms as required of by such Shareholder, and (ii) such Shareholders shall not be subject to any lock-up arrangements pursuant to this clause 7.4.5 if that Shareholder (acting reasonably) objects to any such lock-up on the basis that being bound it would be unlawful or give rise to a breach of any Regulatory Requirements.

- 7.5. Where the holders of A Shares or the Seedrs Nominated Custodian do not have sole discretion over whether or not there is to be a transfer of the Equity Securities they hold, such holders of A Shares or the Seedrs Nominated Custodian shall not be obliged to:
- 7.5.1. accept any consideration other than cash for their Shares, and in respect of any Investors to whom the Listing Rules of the London Stock Exchange (the “LR”) apply, the maximum consideration payable to such holders of A Shares or the Seedrs Nominated Custodian in connection with any Exit Event shall, notwithstanding any other provisions to the contrary in these Articles, be limited to the minimum amount that would constitute a Class 2 transaction in accordance with the LR, less GBP£1.00 (in each case unless such obligation is waived by any holder of A Shares or the Seedrs Nominated Custodian (either entirely or subject to a higher limit determined by them) within ten Business Days of receipt of any applicable notice of transfer, in relation to their Shares only); or
 - 7.5.2. make any contribution to any cost or expenses incurred in connection with the Exit Event including (without limitation) any contribution to warranty or indemnity insurance.
- 7.6. In the event of an IPO, there will be no restriction on dealing in the Shares held by any of the Investors, and none of the Investors will be required to appoint any party (including a sponsor of the Company) to act as its agent.

Exit Rights

- 7.7. Notwithstanding anything to the contrary in the Shareholders’ Agreement or these Articles, at any time on or after the Date of Adoption, in the event that any holder of A Shares or the Seedrs Nominee (a “**Departing Shareholder**”) determines, in their sole and absolute discretion, acting reasonably, that:
- 7.7.1. it will or could be unlawful, or it otherwise could constitute or will constitute a breach of its regulatory obligations to continue to hold Shares;
 - 7.7.2. in the case of NPL only, in the event that NPL determines that the Company has materially deviated from its Social Purpose and/or Commercial Purpose; or
 - 7.7.3. there has been, is, or could be an act, matter, event, or circumstance which results in or could result in material damage to the reputation of any Member of the Same Group of such Departing Shareholder if that Departing Shareholder remains a Shareholder Party,
- then that Departing Shareholder shall have the right to undertake, or require the Company to undertake, one or more of the following actions to the extent it is lawfully able to do so:
- 7.7.4. in the Departing Shareholder's sole and absolute discretion, transfer without restriction any or all of the Equity Securities held by the Departing Shareholder to the Company or the other Shareholder Parties (or any of them) by way of a notice of sale made first to the Company and upon non-acceptance of the Company within 10 Business Days of the date of such notice of sale, then to all Shareholder Parties pro-rata to their shareholdings in the Company at such price and on such terms as agreed between the Departing

Shareholder and the Company (both acting reasonably). For the avoidance of doubt, no Shareholder Party shall be under any obligation to accept such offer of sale or transfer;

- 7.7.5. in the Departing Shareholder's sole and absolute discretion, transfer without restriction any or all of the Equity Securities held by the Departing Shareholder to one or more third parties at such price and on such terms as agreed between the Departing Shareholder and the Company (both acting reasonably) and, in which circumstances, the Company and the Founders shall take all reasonable steps requested by the Departing Shareholder to find such a purchaser;
- 7.7.6. acting reasonably, require the Company to purchase such number of Equity Securities then held by the Departing Shareholder as the Departing Shareholder directs for a purchase price equal to the nominal value per Equity Security (subject to compliance with the provisions of applicable law); and/or
- 7.7.7. in the Departing Shareholder's sole and absolute discretion, surrender any or all of the Equity Securities held by it to the Company for nil consideration by giving notice in writing to the Company together with a duly executed stock transfer form transferring the Equity Securities held by the Departing Shareholder to the Company. The Company shall, within two (2) Business Days of receipt of the duly executed stock transfer form register the transfer of the Equity Securities in the Company's books and records.

- 7.8. Any transfer or buyback of shares pursuant to Article 7.7 shall be made free of any pre-emption, co-sale, drag along, tag along, right of first refusal, and any other restrictions that may otherwise be applicable.

8. Votes in general meeting and written resolutions

- 8.1. The A Shares shall confer on each holder of A Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 8.2. The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 8.3. Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 8.4. No voting rights attached to a share which is nil paid or partly paid may be exercised:
 - 8.4.1. at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
 - 8.4.2. on any proposed written resolution,

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

9. Deferred Shares

- 9.1. Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for the aggregate sum of one penny for all the Deferred Shares

registered in the name of any holder(s) without obtaining the sanction of the holder(s).

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

- 9.2.1. appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s); and/or
- 9.2.2. receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
- 9.2.3. give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
- 9.2.4. retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.

- 9.3. No Deferred Share may be transferred without the prior consent of the Board (acting with Major Shareholder Consent).

10. Variation of rights

- 10.1. 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 more than 75 per cent. in nominal value of the issued shares of that class.

11. Transfers of Shares – general

- 11.1. In Articles 11 to 20 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 11.2. No Share may be transferred unless the transfer is made in accordance with these Articles.
- 11.3. If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a notice in writing ("**Transfer Notice**") in respect of all Shares held by him.
- 11.4. Any transfer of a Share by way of sale which is required to be made under Articles 13 to 20 to 18 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.5. The Directors (acting with Investor Director Consent), may refuse to register a transfer if:
- 11.5.1. it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - 11.5.2. the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not

entered into a joint section 431 ITEPA election with the Company;

- 11.5.3. it is a transfer of a Share which is not fully paid on which Share the Company has a lien;
- 11.5.4. the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- 11.5.5. the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 11.5.6. the transfer is in respect of more than one class of Shares;
- 11.5.7. the transfer is in favour of more than four transferees;
- 11.5.8. the transfer is to a proposed transferee listed as a Sanctioned Person; or
- 11.5.9. these Articles otherwise provide that such transfer shall not be registered.

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

- 11.6. Save in respect of a transfer pursuant to Article 12.3, the Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Shareholders' Agreement in any form as the Directors may reasonably require and if any condition is imposed in accordance with this Article 11.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 11.7. To enable the Directors (acting with Investor Director Consent) to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles, the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors (acting with Investor Director Consent) to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
 - 11.7.1. the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question); or

11.7.2. the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and

11.7.3. the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in Articles 11.7.1 and 11.7.2 above may be reinstated by the Board at its discretion and shall in any event be reinstated upon the completion of any transfer referred to in Article 11.7.3 above.

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

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

11.9.1. the Transfer Price for such Shares will be as agreed between the Board acting reasonably (and any director who is a transferor or with whom the transferor is connected (within the meaning of section 252 of the Act) not voting) and the transferor, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the such Shares; and

11.9.2. the transferor wishes to transfer all of the Shares held by it.

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

11.10.1. the transferor; and

11.10.2. (if any of the shares is partly or nil paid) the transferee.

11.11. If a Shareholder is named as a Sanctioned Person, all the Shares held by the relevant Shareholder and its Permitted Transferees shall be automatically converted to Deferred Shares (on the basis of one Deferred Share for each Share held), save that in the event of a return of capital pursuant to Article 6 or a distribution pursuant to Article 7, no Proceeds or distributions shall be payable in respect of any Deferred Shares held by any Sanctioned Person. Conversion shall take place automatically on the date the person was named by any Sanctions Authority from time to time.

12. Permitted Transfers

12.1. A Shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise, provided always that (i) no Restricted Shares (as defined below) shall be transferred to a Permitted Transferee without Investor Director Consent; (ii) an Employee shall not be permitted to transfer more than 25% in aggregate of the Shares held by him to a Permitted Transferee without having first obtained Investor Director Consent; and (iii) no Shares shall be transferred to a Sanctioned Person.

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

12.3. Notwithstanding anything to the contrary in these Articles, in respect of any Shares held by the Seedrs Nominated Custodian, the following transfers shall be permitted

without any restrictions and the Directors shall register such transfers to the extent necessary to give effect to it:

- 12.3.1. a transfer of the legal ownership of Shares to any person who is the Beneficial Owner of such Shares;
 - 12.3.2. a transfer of the Shares to any person who is to hold the shares as nominee for the Beneficial Owner in substitution for the then registered shareholder (being the Seedrs Nominated Custodian or any of its Permitted Transferees); or
 - 12.3.3. a transfer of the beneficial ownership of such Share, where the identity of the registered legal shareholder remains the same before and immediately after such transfer of beneficial ownership.
- 12.4. Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 12.5. If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 12.6. If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.
- 12.7. Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 12.8. No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 12.8.1. with the terms of the trust instrument and in particular with the powers of the trustees;
 - 12.8.2. with the identity of the proposed trustees;
 - 12.8.3. the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
 - 12.8.4. that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 12.9. If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five

Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.

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

12.10.1. 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

12.10.2. give a Transfer Notice to the Company in accordance with Article 13.2,

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

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

- 12.12. A transfer of any Shares approved by the Board (acting with Investor Director Consent) may be made without restriction as to price or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the Directors, but for the avoidance of doubt such transfer shall be subject to Articles 17, 18, and 19.

- 12.13. Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board (acting with Investor Director Consent).

- 12.14. Notwithstanding any other provisions of these Articles, no Shares may be transferred to any entity or individual listed as a Sanctioned Person at any time.

13. Transfers of Shares subject to pre-emption rights

- 13.1. Save where the provisions of Articles 12 (*Permitted Transfers*), 16.8, 17 (*Mandatory Offer on Change of Control*), 18 (*Tag Along*) and 19 (*Drag Along*) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.

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

13.2.1. the number of Shares which he wishes to transfer (the "**Sale Shares**");

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

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

- 13.3. Except as determined by the Board, acting with Investor Director Consent or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.
- 13.4. A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 13.5. As soon as practicable following the later of:
 - 13.5.1. receipt of a Transfer Notice; and
 - 13.5.2. in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 14,

the Board shall offer the Sale Shares for sale firstly to the A Shareholders in the manner set out in Article 13.6, and where there are any remaining Sale Shares after this process has been completed with respect to the A Shareholders, then to the remaining Equity Shareholders in the manner set out in Article 13.6, in accordance with Article 13.6.4. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

- 13.6. Transfers: Offer
 - 13.6.1. The Board shall offer the Sale Shares firstly to the A Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
 - 13.6.2. If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under this Article 13.6 will be conditional on the fulfilment of the Minimum Transfer Condition.
 - 13.6.3. If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
 - 13.6.4. If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with

their applications and the balance will be offered to all other Equity Shareholders (excluding the Seller) in accordance with the process set out at Articles 13.6.1 - 13.6.4. If at the end of such second Offer Period, the aggregate number of Sale Shares applied for is still less than the number of Sale Shares, the balance will be dealt with in accordance with Article 13.7.5.

13.7. Completion of transfer of Sale Shares

13.7.1. If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 13.6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

13.7.2. If:

13.7.2.1. the Transfer Notice does not include a Minimum Transfer Condition; or

13.7.2.2. the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 13.6 and once the requirements of Articles 17 and/or 16 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

13.7.3. Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

13.7.4. If the Seller fails to comply with the provisions of Article 13.7.3:

13.7.4.1. the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:

(A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

(B) receive the Transfer Price and give a good discharge for it; and

(C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

13.7.4.2. the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

- 13.7.5. If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.7.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- 13.7.6. The right of the Seller to transfer Shares under Article 13.7.5 does not apply if the Board is of the opinion on reasonable grounds that:
 - 13.7.6.1. the transferee is a person (or a nominee for a person) who the Board (acting with Investor Director Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - 13.7.6.2. 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
 - 13.7.6.3. the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

14. Valuation of Shares

- 14.1. If no Transfer Price can be agreed between the transferor and the Board in accordance with provisions of Articles 11.9 or 16.2 or otherwise then, on the date of failing agreement, the Board (acting with Investor Director Consent) shall either:
 - 14.1.1. appoint an expert valuer in accordance with Article 14.2 (the "**Expert Valuer**") to certify the Fair Value of such Shares; or
 - 14.1.2. (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of such Shares will be calculated by dividing any Fair Value so certified by the number of such Shares to which it related and multiplying such Fair Value by the number of such Shares the subject of the Transfer Notice.
- 14.2. The Expert Valuer will be either:
 - 14.2.1. the Auditors; or
 - 14.2.2. (if otherwise agreed by the Board and the transferor) an independent firm of Chartered Accountants to be agreed between the Board (acting with Investor Director Consent) and the transferor or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 14.3. The "**Fair Value**" of the such Shares shall be determined by the Expert Valuer on the following assumptions and bases:
 - 14.3.1. valuing such Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 14.3.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 14.3.3. that such Shares are capable of being transferred without restriction;
 - 14.3.4. valuing such Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares)

without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to such Shares; and

- 14.3.5. reflecting any other factors which the Expert Valuer reasonably believes should be taken into account.
- 14.4. If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 14.5. The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 14.6. The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 14.7. The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 14.8. The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate, it shall deliver a copy of it to the transferor. Unless such Shares are to be sold under a Transfer Notice, which is deemed to have been served, the transferor may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell such Shares.
- 14.9. The cost of obtaining the certificate shall be paid by the Company, unless the price certified by the Expert Valuer is less than the price (if any) offered by the directors to the transferor for the sale of such Shares before Expert Valuer was instructed, in which case the transferor shall bear the cost.

15. Compulsory transfers – general

- 15.1. A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 15.2. If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
 - 15.2.1. to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - 15.2.2. to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 15 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 15.3. If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may otherwise determine. This Article 15.3 shall not apply to Seedrs Nominated Custodian

provided that it shall, as soon as reasonably practicable, appoint a replacement nominee, or transfer the legal ownership of any Shares it holds to Beneficial Owners of such Shares in accordance with Article 12.3.

- 15.4. If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) (a “**Change of Control**”) of any Shareholder which is a company, the entity acquiring control of such Shareholder shall be required to satisfy know-your-customer and anti-money laundering checks to the reasonable satisfaction of the Board (acting with Investor Director consent) (which may include any Major Shareholder’s know-your-customer and anti-money laundering checks). For as long as NPL holds Shares, any Shareholder which is a company that undergoes a Change of Control shall use commercially reasonable endeavours to procure that such Change of Control shall not jeopardise the charitable status of NPL. In the event of a Change of Control of SVDC, SVDC shall use commercially reasonable endeavours to ensure that following such Change of Control, AW shall remain the personal representative of SVDC for the purposes of its relationship with the Company. This Article 15.4 shall not apply to a Change of Control of any Major Shareholder or the Seedrs Nominated Custodian, or any other member that is an Investor.

16. Departing Employees

- 16.1. The provisions of Article 16 shall not apply to any Shares held by AC as at the Date of Adoption.

Deemed Transfer Notice – Good Leaver

- 16.2. Unless the Board acting with Investor Director Consent determines that this Article 16.2 shall not apply, if at any time during the Relevant Period an Employee ceases to be an Employee by reason of being a Good Leaver, a Transfer Notice shall be deemed to be given in respect all of the Unvested Employee Shares on the Effective Termination Date. In such circumstances the Transfer Price for the Unvested Employee Shares shall be the Fair Value of the Unvested Employee Shares.

16.3. For the avoidance of doubt, an Employee shall be entitled to retain any Vested Employee Shares held by him by virtue of him being a Good Leaver.

Conversion of Shares – Bad Leaver

- 16.4. Unless the Board acting with Investor Director Consent determine that this Article 16.4 shall not apply, if at any time an Employee is a Bad Leaver all of the Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Deferred Conversion Date (rounded down to the nearest whole share).

16.5. Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date.

General

- 16.6. For the purposes of Article 16.2, Fair Value shall be as agreed between the Board (acting with Investor Director Consent) and the relevant Employee, or, failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 14.
- 16.7. The provisions of this Article 16 may be waived in whole or in part in any particular case by the Board, acting with Investor Director Consent.
- 16.8. For the purposes of a Transfer Notice that is deemed to be given pursuant to Article

16.2, the Employee Shares shall be offered at the discretion of the Board (acting with Investor Director Consent) to any of the following:

- 16.8.1. to a person or persons nominated the Board to take the departing Employee's place conditionally on them commencing employment with the Company;
 - 16.8.2. to any of the existing Employees (other than the departing Employee);
 - 16.8.3. to any person(s), other than the departing Employee, approved by the Board; and/or
 - 16.8.4. to the Company (subject always to the provisions of the Act),
- 16.9. it being acknowledged that, should there be no willing buyer for the Employee Shares at the Transfer Price, the Board (acting with Investor Director Consent) may deem the relevant Transfer Notice as having been revoked.
- 16.10. In respect of all Shares held by an Employee Shareholder who is a Bad Leaver, or in respect of Unvested Shares only held by an Employee Shareholder on the date they become a Good Leaver, immediately upon such Employee Shareholder ceasing to be an Employee, all voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or any separate meeting or on a written resolution of the class in question) attached to such Shares, or Unvested Shares only, as applicable, held by the relevant Employee Shareholder and/or any Permitted Transferee who holds Shares originally allotted and issued to that Employee Shareholder (each of the foregoing is a "**Restricted Member**") shall be suspended.
- 16.11. Any relevant Shares whose voting rights are suspended pursuant to Article 16.10 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 16.10 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

17. Mandatory Offer on a Change of Control

- 17.1. Except in the case of Permitted Transfers and transfers pursuant to Articles 15 and 16, after going through the pre-emption procedure in Article 13, the provisions of Article 17.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (other than a person who already holds a Controlling Interest in the Company at that time or any associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 17.2. A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 17.7).
- 17.3. The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 15 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number

of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").

- 17.4. If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 17.5. If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Equity Shares held by Accepting Shareholders.
- 17.6. The Proposed Transfer is subject to the pre-emption provisions of Article 13 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 13.
- 17.7. For the purpose of this Article:

- 17.7.1. the expression "**Specified Price**" shall mean in respect of each Equity Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:

- 17.7.1.1. in the Proposed Transfer; or

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

plus an amount equal to the Relevant Sum, as defined in Article 17.7.2, of any other consideration (in cash or equity) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Equity Shares (the "**Supplemental Consideration**") provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of Articles 6 and 7;

- 17.7.2. $\text{Relevant Sum} = C \div A$

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

C = the Supplemental Consideration.

18. Tag-along

- 18.1. No transfer (other than a Permitted Transfer) of any of the Equity Shares may be made or validly registered if it is in respect of more than seventy per cent (70%) of the Equity Shares (excluding Treasury Shares) unless the relevant Shareholder(s) and any Permitted Transferee of that Shareholder (the "**Tag Shareholder(s)**") shall have observed the following procedures of this Article and Article 11.5 (if applicable).
- 18.2. The Tag Shareholder(s) shall give to each other holder of Equity Shares (an "**Equity Holder**") not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:
 - 18.2.1. the identity of the Proposed Purchaser;
 - 18.2.2. the price per share which the Proposed Purchaser is proposing to pay;
 - 18.2.3. the manner in which the consideration is to be paid;

- 18.2.4. the number of Equity Shares which the Tag Shareholder(s) proposes to sell; and
- 18.2.5. the address where the counter-notice should be sent.
- 18.3. Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Tag Shareholder(s) that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such Equity Holder wishes to sell. The maximum number of shares which an Equity Holder can sell under this procedure shall be:
- $$\left(\frac{X}{Y}\right) \times Z$$
- where:
- X is the number of Equity Shares the Tag Shareholder(s) proposes to sell;
- Y is the total number of Equity Shares held by the Tag Shareholder(s);
- Z is the number of Equity Shares held by the Equity Holder.
- 18.4. Following the expiry of 5 Business Days from the date the Equity Holders receive the Co-Sale Notice, the Tag Shareholder(s) shall be entitled to sell to the Proposed Purchaser on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Proposed Purchaser (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on the same terms (including in respect of the form and manner of payment and following the deduction of all costs, charges and expenses of the sale) than those obtained by the Tag Shareholder(s) from the Proposed Purchaser.
- 18.5. No sale by the Tag Shareholder(s) shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 18.6. Sales made in accordance with this Article 18 shall not be subject to Article 13.
- 19. Drag along Option**
- 19.1. If the holders of at least fifty per cent (50%) of the Equity Shares including NPL and Barclays (excluding any Treasury Shares) (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and together the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article and Article 11.5 (if applicable).
- 19.2. The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:
- 19.2.1. the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
- 19.2.2. the person to whom they are to be transferred;
- 19.2.3. the consideration (whether in cash or equity) for which the Called

Shares are to be transferred (calculated in accordance with this Article);

- 19.2.4. the proposed date of transfer; and
 - 19.2.5. the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**").
- 19.3. Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 19.4. The Called Shareholders shall be entitled to receive the same form (in cash or equity) and manner of payment (including in respect of any deferral or escrow) as the form and manner of payment made by the Drag Purchaser for each equivalent Sellers' Shares and the amount of the consideration payable for each Called Share shall be equal to the highest consideration to be paid by the Drag Purchaser for each equivalent Sellers Share (together with the relevant proportion of any other consideration (in cash or equity) received or receivable by any Selling Shareholder (after the deduction of all costs, charges and expenses of the Drag Along sale) which, having regard to the transaction as a whole, can reasonably be regarded as an addition to the consideration paid or payable) (the "**Drag Consideration**") and subject always to the Drag Consideration being distributed to the Shareholders in accordance with the provisions of Articles 6 and 7.
- 19.5. In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.
- 19.6. Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Completion Date**"), each Called Shareholder shall deliver:
- 19.6.1. duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - 19.6.2. the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - 19.6.3. duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "**Drag Documents**").
- 19.7. On the Drag Completion Date, the Drag Purchaser shall pay or transfer to each Called Shareholder the Drag Consideration that is due. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 19.8. To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and

the Called Shareholders shall have no further rights or obligations under this Article 17 in respect of their Shares.

- 19.9. If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 19 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.

On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder

20. Co-Sale Right

- 20.1. Subject to the other provisions of this Agreement and the Articles in relation to permitted transfers, pre-emption rights on transfer, tag along and drag along, the provisions of this Article 20 will apply if at any time any Founder (the **Proposed Founder Seller**) proposes to transfer in one or a series of related transactions any of such Founder's Shares ("**Proposed Founder Sale Shares**") (other than to a Permitted Transferee) (the "**Proposed Founder Transfer**").
- 20.2. A Proposed Founder Seller must, before making a Proposed Founder Transfer, procure that the proposed buyer (the "**Proposed Buyer**") makes an offer (the "**Co-Sale Offer**") to each Shareholder Party who waived their pre-emption rights pursuant to the Articles in respect of the Proposed Founder Transfer for such proportion of that Shareholder Party's Shares as equates to the proportion the Proposed Founder Sale Shares represent of the total of the Founder's Held Shares (the "**Co-Sale Proportion**").
- 20.3. The Co-Sale Offer must be given by written notice (a "**Proposed Co-Sale Notice**") at least 10 Business Days (the "**Co-Sale Offer Period**") prior to the proposed transfer date (the "**Proposed Co-Sale Date**"). The Proposed Co-Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Buyer, the purchase price and other terms and conditions of payments of the Proposed Founder Transfer, the Proposed Co-Sale Date, the number of Proposed Founder Sale Shares and the Co-Sale Proportion. The Co-Sale Offer shall be made on the same terms and at the same price as the Proposed Founder Transfer.
- 20.4. If this Article 20 is not complied with, or the Proposed Founder Transfer is not on an arm's length basis, the Proposed Founder Seller will not be entitled to complete the Proposed Founder Transfer and the Company will not register any transfer of Shares in respect of the Proposed Founder Transfer.

- 20.5. If the Co-Sale Offer is accepted by any Shareholder Party (a “**Co-Sale Accepting Shareholder**”) within the Co-Sale Offer Period, the completion of the Proposed Founder Transfer will be conditional upon the completion of the purchase of all of the Co-Sale Proportion of Shares held by the Accepting Shareholder (or such lower number of Shares as the Accepting Shareholder may agree to).
- 21. Pre-emption rights in respect of new issues of Shares**
- 21.1. Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 21.2. Unless otherwise agreed by special resolution, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the “**Subscribers**”) on the same terms and at the same price as those New Securities are being offered to other persons on a *pari passu* and *pro rata* basis to the number of Equity Shares (as if the Equity Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:
- 21.2.1. shall be in writing, be open for acceptance from the date of the offer to the date 15 calendar days after the date of the offer (inclusive) (the “**Subscription Period**”) and give details of the number and subscription price of the New Securities; and
 - 21.2.2. may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 21.3. If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Equity Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).
- 21.4. If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 21.5. Subject to the requirements of Articles 21.2 to 21.4 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 21.6. The provisions of Articles 21.2 to 21.5 shall not apply to:
- 21.6.1. options to subscribe for any securities in the Company (including Ordinary Shares) under any Equity Incentive Plan(s);
 - 21.6.2. New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to the Anti-Dilution Shares and issued in accordance with Article 22;
 - 21.6.3. New Securities issued in consideration of the acquisition by the Company of any company or business; or
 - 21.6.4. New Securities issued as a result of a bonus issue of shares which has been approved in writing by Major Shareholder Consent.

- 21.7. No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.

22. Anti-Dilution protection

- 22.1. If any New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (as defined below) (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Company's auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that any of the holders of A Shares or Ordinary Shares shall have specifically waived their rights under this Article in writing, issue to each holder of A Shares and Ordinary Shares who paid at least the Starting Price for their Shares and excluding any EIS Investors who have acquired Ordinary Shares in the preceding three years and claimed EIS Relief (the "**Exercising Investor**") a number of new A Shares or Ordinary Shares as the case may be, determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 22.2 (the "**Anti-Dilution Shares**"):

[Broad-Based Weighted Average Ratchet]

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

Where:

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

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

SIP = £26.59 ("**Starting Price**")

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

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

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

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

- 22.2. The Anti-Dilution Shares shall:

- 22.2.1. be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible

or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by Investor Director Consent) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 22.1 above so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor, the Company's auditors shall provide a certification which shall be final and binding on the Company and the Exercising Investor, in the absence of manifest error; and

- 22.2.2. subject to the payment of any cash payable as above (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing A Shares or Ordinary Shares, as the case may be, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to this Article 22.
- 22.3. In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be necessary such that the aggregate Starting Price of all A Shares following the Bonus Issue or Reorganisation remains unchanged. If the Board, acting with Investor Director Consent, cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.
- 22.4. For the purposes of this Article 22 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

23. Electronic Communication

- 23.1. Without prejudice to article 48 of the Model Articles, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Companies Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors).
- 23.2. For the purposes of Article 23.1 above, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 23.2.
- 23.3. When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Companies Act.

- 23.4. Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient 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 any notice or communication sent by electronic mail shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission.
- 23.5. The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control.
- 23.6. Each Shareholder and Director shall for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Companies Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website.

24. Share Certificates

- 24.1. The conditions of issue of any Shares shall not require the Company to issue any Share certificate although the Board may resolve to do so.
- 24.2. The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders.
- 24.3. If the Board resolves to issue a Share certificate it may be issued under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person.
- 24.4. Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.

25. Board Representation

- 25.1. For so long as AC remains an Employee and each Founder holds Equity Shares, the Founders shall each be entitled to nominate one person to act as a Director (and as a member of each and any committee of the Board) by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. The Founders shall each be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 25.2. For so long as NPL holds not less than 4% of the Shares in issue it shall be entitled to appoint one (1) person to act as a non-executive director of the Company and any Subsidiary (the "**Nesta Director**") (and as a member of each and any committee of the Board) by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from

office. NPL shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in their place.

- 25.3. For so long as Barclays holds not less than 4% of the Shares in issue it shall be entitled to appoint one (1) person to act as a non-executive director of the Company and any Subsidiary (the "**Barclays Director**") (and as a member of each and any committee of the Board) by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. Barclays shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in their place.
- 25.4. Any Shareholder or Shareholder Syndicate Group (excluding the Founders, NPL and Barclays) holding not less than 10% of the A Shares in issue for the time being shall, upon written notice (signed on behalf of each member of the Shareholder Syndicate Group where relevant) to the Board which shall include details of their individual or group shareholding, be entitled to appoint one (1) person to act as a non-executive director of the Company, and to remove and replace such Director upon written notice (signed on behalf of each member of the Shareholder Syndicate Group where relevant) to the Board.
- 25.5. An appointment or removal of a Director under Articles 25.1, 25.2 and 25.3 (as applicable) will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 25.6. For the avoidance of doubt, any Shareholder acting either individually or as part of a Shareholder Syndicate Group to appoint an Investor Director pursuant to the terms of this Article, shall only be permitted to appoint one Investor Director.
- 25.7. Any Director appointed to the Board in accordance with Articles 25.2, 25.3 or 25.4 above shall immediately resign as a Director should his or her appointing Shareholder or Shareholder Syndicate Group cease to meet the minimum shareholding requirements set out in Articles 25.2, 25.3 or 25.4, as applicable to that Director.
- 25.8. Any Director appointed under Articles 25.1, 25.2, 25.3 or 25.4 shall automatically cease to be a Director if he is disqualified from acting as a Director of the Company by law or by any regulatory authority regulating the Company or he ceases to be a director pursuant to article 18 of the Model Articles as applied by the Company, but this shall be without prejudice to the right of the appointing Founder, Shareholder, or Shareholder Syndicate Group, as applicable, to appoint a replacement in accordance with this Article.
- 25.9. In respect of each of Barclays and NPL, for so long as they hold any Shares, they shall be entitled to appoint a representative to attend Board meetings as an observer who will be entitled to speak at any such meeting but will not be entitled to vote.
- 25.10. For as long as Naruhisa Nakagawa holds not less than 4% of the Shares in issue, he shall be entitled to appoint a representative to attend Board meetings as an observer who will be entitled to speak at any such meeting but will not be entitled to vote.
- 25.11. The Nesta Director, the Barclays Director and each other Investor Director shall have a right to review and propose any changes to the Chairman and composition of the Board at least annually.
- 25.12. Each Investor Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any subsidiaries.
- 25.13. As at the Date of Adoption, the Board comprises AC, AW, a Nesta Director, a Barclays

Director, an Investor Director appointed by GAS, and a non-executive independent director.

26. Board meetings

26.1. Board meetings shall be held up to 8 times per calendar year and at least 6 times in each calendar year and any additional times at the reasonable request of any Investor Director with no longer than 2 months between meetings.

26.2. Except in the case of an emergency and unless otherwise agreed by all the Directors of the Company, the Board shall give no less than 7 days' (14 days' in the case of a meeting requested by a director which is not a scheduled meeting) prior written notice of meetings of the Board accompanied by a written agenda specifying the business to be conducted at the meeting and that no business other than that properly described on the agenda shall be conducted at the meeting.

26.3. If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director shall be counted as participating in the decision-making process for quorum or voting purposes, provided that he has declared the nature and extent of such interest as required by the Companies Act.

If the numbers of votes for and against a proposal at a meeting of the Directors are equal, the chairman or other Director chairing the meeting shall have a casting vote.

26.4. For so long as any Investor Director is appointed, no Board meeting shall be quorate unless each of the Investor Directors is in attendance unless each such individual has confirmed in writing (which may be by email) that s/he is satisfied that the Board meeting in question proceed without her/him being present.

26.5. Copies of all minutes of Board meetings and committee meetings of the Board shall be sent, within 10 working days of their being finalised, to the Directors and the Observers.

26.6. To the extent legally permissible, the Company shall reimburse the reasonable expenses incurred by the Investor Directors in attending the meetings of the Board, any committee of the Board established from time to time, and the board of directors of any subsidiaries.

26.7. [Subject to the provisions of the Act and provided that he has declared to the Board (in accordance with the provisions of the Articles) the nature and extent of his interest, an Investor Director 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, a Shareholder.]

26.8. The parties agree that an Investor Director shall be, once appointed:

26.8.1. entitled from time to time to make full disclosure to their appointing Shareholder of any information relating to the Company; and

26.8.2. under no obligation to disclose any information or opportunities to the Company except to the extent that the information or opportunity was passed to them expressly in his capacity as a director of the Company.

27. Proxies

27.1. Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".

27.2. The instrument appointing a proxy and any authority under which it is signed or a

certified copy of such authority or a copy in some other way approved by the Directors may:

- 27.2.1. be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
- 27.2.2. be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
- 27.2.3. in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman or to the company secretary or to any Director or scrutineer,

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

28. Directors' borrowing powers

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

29. Alternate Directors

- 29.1. Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director to:
 - 29.1.1. exercise that Director's powers; and
 - 29.1.2. carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

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

- 29.2. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.
- 29.3. The notice must:
 - 29.3.1. identify the proposed alternate; and
 - 29.3.2. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 29.4. An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

- 29.5. Except as these Articles specify otherwise, alternate directors:
- 29.5.1. are deemed for all purposes to be Directors;
 - 29.5.2. are liable for their own acts and omissions;
 - 29.5.3. are subject to the same restrictions as their Appointors; and
 - 29.5.4. are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
- 29.6. A person who is an alternate Director but not a Director:
- 29.6.1. may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - 29.6.2. may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 29.7. A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 29.8. An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 29.9. An alternate Director's appointment as an alternate shall terminate:
- 29.9.1. when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 29.9.2. on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - 29.9.3. on the death of the alternate's Appointor; or
 - 29.9.4. when the alternate's Appointor's appointment as a Director terminates.

30. Number of Directors

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

31. Disqualification of Directors

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

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

32. Proceedings of Directors

- 32.1. The quorum for Directors' meetings shall be three Directors, which shall include one Founder Director, the Nesta Director and the Barclays Director (in each case if appointed). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 32.2. In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held.
- 32.3. The chairman of meetings of the Directors shall be appointed in accordance with article 12 of the Model Articles.
- 32.4. If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 32.5. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 32.6. Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 32.7. Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote provided that provided that the chairman shall not have a casting vote on a vote on a particular matter upon which he is restricted from voting.
- 32.8. A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

33. Directors' interests

Specific interests of a Director

- 33.1. Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

- 33.2. For the purposes of this Article 33, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 33.3. In any situation permitted by this Article 33 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

- 33.4. Any authority given in accordance with section 175(5)(a) of the Act in respect of a

Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 33.6 and 33.7, so far as is permitted by law, in respect of such Interested Director;
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 33.

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

- 33.5. Subject to Article 33.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 33), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
 - (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 33.6. Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 33.5 shall apply only if the conflict arises out of a matter which falls within Article 33.1 or has been authorised under section 175(5)(a) of the Act.

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

- 33.7. Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

- 33.8. Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 33.1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- (a) falling under Article 33.1(g);
 - (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
 - (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

- 33.9. Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 33.
- 33.10. For the purposes of this Article 33:
- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
 - (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
 - (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

34. Notices

- 34.1. Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:
- (a) in hard copy form;
 - (b) in electronic form; or
 - (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),

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

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 33.

Notices in hard copy form

- 34.2. Any notice or other document in hard copy form given or supplied under these Articles

may be delivered or sent by first class post (airmail if overseas):

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

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

- (a) if delivered, at the time of delivery;
- (b) if sent by pre-paid first class post, on receipt or 48 hours after the time it was posted, whichever occurs first; or
- (c) if sent by pre-paid international airmail, on the fifth day after the time it was posted.

Notices in electronic form

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

- (a) if sent email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 34.2; or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (i) on its website from time to time; or
 - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.

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

- (a) if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
- (c) if delivered in an electronic form, at the time of delivery; and
- (d) if sent by any other electronic means as referred to in Article 34.4(c) at the time such delivery is deemed to occur under the Act.

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

Notice by means of a website

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

General

34.8. In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

34.9. Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

35. Indemnities and insurance

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

- (a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no current or former Director or current or former director of any associated company is indemnified by the Company against:
 - (i) any liability incurred by the director to the Company or any associated company; or
 - (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
 - (iii) any liability incurred by the director:
 - (A) in defending any criminal proceedings in which he is convicted;

- (B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
- (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 35.1(a)(i), 35.1(a)(iii)(B) and 35.1(a)(iii)(C) applying;

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

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

36. Secretary

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

37. Lien

37.1. The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share.

37.2. The Company's Lien over a Share:

- (c) shall take priority over any third party's interest in that Share; and
- (d) 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.

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.

37.3. Subject to the provisions of this Article 37, if:

- (e) a notice complying with Article 37.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and

(f) the person to whom the notice was given has failed to comply with it,
the Company shall be entitled to sell that Share in such manner as the Directors decide.

37.4. A Lien Enforcement Notice:

- (g) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (h) must specify the Share concerned;
- (i) must require payment of the sum payable within 14 days of the notice;
- (j) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- (k) must state the Company's intention to sell the Share if the notice is not complied with.

37.5. Where any Share is sold pursuant to this Article 37:

- (l) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- (m) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

37.6. The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- (n) 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;
- (o) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

35.7 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) shall be 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 these Articles or by law, shall constitute a good title to the Share.

38. Call Notices

- 38.1. Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.
- 38.2. A Call Notice:
- (c) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);
 - (d) shall state when and how any call to which it relates it is to be paid; and
 - (e) may permit or require the call to be paid by instalments.
- 38.3. A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.
- 38.4. Before the Company has received any call due under a Call Notice the Directors may:
- (f) revoke it wholly or in part; or
 - (g) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.
- 38.5. Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 38.6. Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:
- (h) pay calls which are not the same; or
 - (i) pay calls at different times.
- 38.7. A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- (j) on allotment;
 - (k) on the occurrence of a particular event; or
- on a date fixed by or in accordance with the terms of issue.
- 38.8. If the due date for payment of such a sum as referred to in Article 38.4 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 38.9. If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (l) the Directors may issue a notice of intended forfeiture to that person; and

- (m) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).

38.10. For the purposes of Article 38.9:

- (n) the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;
- (o) the "**Relevant Rate**" shall be:
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent. a year,

provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).

38.11. The Directors may waive any obligation to pay interest on a call wholly or in part.

38.12. The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

39. Forfeiture of Shares

39.1. A notice of intended forfeiture:

- (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- (c) shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- (d) shall state how the payment is to be made; and
- (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

39.2. If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

39.3. Subject to these Articles, the forfeiture of a Share extinguishes:

- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
 - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 39.4. Any Share which is forfeited in accordance with these Articles:
- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited;
 - (b) shall be deemed to be the property of the Company; and
 - (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 39.5. If a person's Shares have been forfeited then:
- (d) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
 - (e) that person shall cease to be a Shareholder in respect of those Shares;
 - (f) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (g) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (h) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 39.6. At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 39.7. If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 39.8. 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 forfeited on a specified date:
- (a) shall be 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.
- 39.9. A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

39.10. If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:

- (c) was, or would have become, payable; and
- (d) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

40. Surrender of Shares

40.1. A Shareholder shall be entitled to surrender any Share:

- (a) in respect of which the Directors issue a notice of intended forfeiture;
- (b) which the Directors forfeit; or
- (c) which has been forfeited.

The Directors shall be entitled to accept the surrender of any such Share.

40.2. The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

40.3. The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

41. Authority to capitalise and appropriation of capitalised sums

41.1. The Board may, if authorised to do so by an ordinary:

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

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

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

41.3. Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.

41.4. A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.

41.5. Subject to the Articles the Board may:

- (c) apply Capitalised Sums in accordance with Articles 41.3 and 41.4 partly in one way and partly another;
- (d) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 41; and
- (e) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 41.

42. Re-designation

- 42.1. The Company may, with the consent of the relevant Shareholder and by ordinary resolution (acting with Investor Director Consent), re-designate any Share as a share of another save that the Company does not require the consent of the relevant Shareholder to re-designate any Share as a Deferred Share in accordance with Article 11 or 16.4.

Appendix 1

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the Company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

“director” means a director of the Company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the Company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a

shareholder or otherwise by operation of law; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS’ POWERS AND RESPONSIBILITIES

Directors’ general authority

3. Subject to the articles, the directors are responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

Shareholders’ reserve power

- 4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

- 5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);

- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

- (a) the Company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

8.—(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) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) 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.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same

place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

12.—(1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is

not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the Company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

15. The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

16. Subject to the articles, the directors 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.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

(2) In any case where, as a result of death, the Company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the Company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the Company as directors, and
- (b) for any other service which they undertake for the Company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

Directors' expenses

20. The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

PART 3
SHARES AND DISTRIBUTIONS
SHARES

All shares to be fully paid up

21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

23. Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Share certificates

24.—(1) The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

- (a) have affixed to them the Company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

- (a) may at the same time exercise the right to be issued with a single certificate or

separate certificates;

(b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The Company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

28.—(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

(2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

32. The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

(a) the terms on which the share was issued, or

(b) the provisions of another agreement between the holder of that share and the

Company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption

reserve; and

(b) appropriate any sum which they so decide to capitalise (a “capitalised sum”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “persons entitled”) and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person’s vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

38. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the Company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

Adjournment

41.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the Company’s general meetings is required

to be given, and

(b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

42. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

43.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

44.—(1) A poll on a resolution may be demanded—

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—

(a) states the name and address of the shareholder appointing the proxy;

(b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The Company may require proxy notices to be delivered in a particular form, and may

specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

46.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

47.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(1) Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for

documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49.—(1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the Company;

(b) the Company secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

Provision for employees on cessation of business

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(1) Subject to paragraph (2), a relevant director of the Company or an associated Company may be indemnified out of the Company's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated Company,

(b) any liability incurred by that director in connection with the activities of the Company or an associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

(c) any other liability incurred by that director as an officer of the Company or an associated Company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a “relevant director” means any director or former director of the Company or an associated Company.

Insurance

53.—(1) The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a “relevant director” means any director or former director of the Company or an associated Company,

(b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’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

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.