

Company number 11741401
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
of
BILLX LTD
(the "Company")



(Adopted by a special resolution passed on 27 January 2021 as amended by a special
resolution passed on 8 April 2021)

1. Introduction

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following articles.
- 1.2 In these articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof from time to time.
- 1.3 In these articles: article headings are used for convenience only and shall not affect the construction or interpretation of these articles.

2. Defined terms

- 2.1 In these articles the following words and expressions shall have the following meanings:

"**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);

"**Anti-Dilution Shares**" shall have the meaning given in article 13.1;

"**Asset Sale**" means the disposal by the Company, or the entering by the Company into an exclusive licence in respect, of all or substantially all of its undertaking and assets;

"**Associate**" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with

section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);

(b) any Member of the same Group;

(c) any Member of the same Fund Group;

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means a Founder who is an Employee and then ceases to be an Employee at any time during the Relevant Period as a consequence of the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a result of that person's fraud, gross misconduct or conviction of a serious criminal offence from time to time (excluding for the avoidance of doubt a road traffic offence not punished by a custodial sentence);

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

"Bonus Issue" or "Reorganisation" means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than in respect of the grant of options under any Share Option Plan;

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

"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 the date on which these articles were adopted, being 27 January 2021;

"Deferred Shares" means deferred shares of £0.00001 each in the capital of the Company from time to time;

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

"Effective Termination Date" means the date on which the Founder ceases to be an Employee;

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

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

"Equity Shares" means the Seed Preferred Shares and the Ordinary Shares;

"Fair Value" is as determined in accordance with article 17.3;

"Family Trusts" means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or Privileged Relations of that individual;

"Founders" means Darren Westlake, Peter Bailey and Michael Wilkinson (each, a **"Founder"**);

"Founder Directors" means such director(s) of the Company nominated by the Founders pursuant to the Subscription and Shareholders' Agreement from time to time;

"Founder Shares" means:

- (a) in respect of Darren Westlake (and any Permitted Transferee of Darren Westlake other than those Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from Darren Westlake or by reason of that person's relationship with Darren Westlake), 5,775,000 Ordinary Shares;
- (b) in respect of Peter Bailey (and any Permitted Transferee of Peter Bailey other than those Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from Peter Bailey or by reason of that person's relationship with Peter Bailey), 2,625,000 Ordinary Shares;
- (c) in respect of Michael Wilkinson (and any Permitted Transferee of Michael Wilkinson other than those Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from Michael Wilkinson or by reason of that person's relationship with Michael Wilkinson), 1,166,375 Ordinary Shares;

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

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

"Group" means the Company and its subsidiary undertaking(s) (if any) from time to time;

"Holding Company" means a newly formed holding company, pursuant to which the shareholders of, and the proportion and class(es) of shares held by each of them in, such holding company (immediately after a transfer of the issued share capital of the Company to such holding company) are the same as the shareholders of and their shareholdings in the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Investor Director" means such director of the Company nominated by the Investor Majority pursuant to the Subscription and Shareholders' Agreement;

"Investor Majority" means the holder(s) of more than 50% of the Seed Preferred Shares in issue from time to time, including the Lead Investor;

"Investors" means the holders of the Seed Preferred Shares and their Permitted Transferees;

"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) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq Stock Market operated by the NASDAQ OMX Group or the Official List of the Financial Conduct Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"Lead Investor" means SIX Group AG and its Permitted Transferees;

"Leaver's Percentage" means, subject to article 19.4, in relation to and for the purposes of determining the number of Founder Shares that are required (pursuant to article 19) to be converted into Deferred Shares as a result of a Founder ceasing to be an Employee within the period commencing on the Date of Adoption and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

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

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date such that, absent any reduction pursuant to article 19.4, the Leaver's Percentage shall be zero on the first day of the 49th month after the Date of Adoption and thereafter;

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

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed by that Fund Manager;
- (c) any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

"a Member of the same Group" means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;

"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 12.5);

"Ordinary Shares" means the ordinary shares of £0.00001 each in the capital of the Company from time to time;

"Original Purchase Price" means a price per share equal to the amount paid up or credited as paid up (including premium) for such share;

"Permitted Transfer" means a transfer of Shares in accordance with article 15;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Company;
- (b) in relation to a Shareholder which is an undertaking means any Member of the same Group; or
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group;

"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 of Sale" means the consideration payable (including any deferred and/or contingent consideration and any other consideration which, having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) 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 as approved by the Board (with Investor Majority Consent);

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Sale Date" has the meaning given in article 23.3;

"Proposed Sale Notice" has the meaning given in article 23.3;

"Proposed Sale Shares" has the meaning given in article 23.3;

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

"Proposed Transfer" has the meaning given in article 23.1;

"Qualifying Company" means a company in which a Shareholder or Trustee(s) hold the whole of the share capital and which they control;

"Relevant Period" means, subject to article 19.4, 48 months from the Date of Adoption;

"Seed Preferred Shares" means the Seed Preferred shares of £0.00001 each in the capital of the Company from time to time;

"Shareholder" means any holder of any Shares;

"Share Option Plan" means any share option plan of the Company, the terms of which have been approved by the Investor Majority;

"Shares" means the Seed Preferred Shares, the Ordinary Shares and the Deferred Shares;

"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 in the purchasing company and the proportion of shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale;

"Starting Price" means the Original Purchase Price, if applicable, adjusted as referred to in article 13.3;

"Subscription and Shareholders' Agreement" means the subscription and shareholders' agreement entered into between, amongst others, the Company, the Founders and the Investors on or around the Date of Adoption, as amended or superseded from time to time; and

"Trustees" means the trustee(s) of a Family Trust.

2.2 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.

2.3 Except as otherwise provided in these articles, the Seed Preferred Shares and the Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.

3. Objects

3.1 The objects of the Company are to promote the success of the Company;

- (a) for the benefit of its members as a whole; and
- (b) through its business and operations, to have a material positive impact on (a) society and (b) the environment,

taken as a whole.

3.2 A Director must act in the way he or she considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in article 3.1 above, and in doing so shall have regard (amongst other matters) to:

- (a) the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,
- (b) the interests of the Company's employees,
- (c) the need to foster the Company's business relationships with suppliers, customers and others,
- (d) the impact of the Company's operations on the community and the environment and on affected stakeholders,
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and
- (f) the need to act fairly as between members of the Company,

(together, the matters referred to above shall be defined for the purposes of this Article as the "**Stakeholder Interests**" and each a "**Stakeholder Interest**").

- 3.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.
- 3.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).
- 3.5 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the Company is also required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

4. Proceedings of Directors

- 4.1 The quorum for Directors' meetings shall be two Directors who must include at least one Founder Director (to the extent any are appointed) and the Investor Director (to the extent an Investor Director is appointed and save that where an interest of the Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). Article 11(2) of the Model Articles shall not apply to the Company. 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 and the Investor Director. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed due to the absence of the same deficiency as caused the first adjournment, then the meeting shall proceed provided there are no less than two directors present.
- 4.2 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote. Article 13 of the Model Articles shall not apply to the Company.
- 4.3 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.

5. Alternate Directors

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

- (a) exercise that Director's powers; and
 - (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.
- 5.2 The appointment of an alternate Director shall not require approval by a resolution of the Directors.
- 5.3 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.
- 5.4 The notice must:
 - (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 5.5 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.
- 5.6 Except as these Articles specify otherwise, alternate directors:
 - (a) are deemed for all purposes to be Directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointors; and
 - (d) are not deemed to be agents of or for their Appointors,and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
- 5.7 A person who is an alternate Director but not a Director:
 - (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- 5.8 No alternate may be counted as more than one Director for such purposes.
- 5.9 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).
- 5.10 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.
- 5.11 An alternate Director's appointment as an alternate shall terminate:

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

6. Directors' interests

6.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his 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. Article 14 of the Model Articles shall not apply to the Company.

6.2 *Specific interests of a Director*

Subject to the provisions of the Act, and provided that he has declared to the Directors 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 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; or
- (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.

6.3 *Interests of an Investor Director*

In addition to the provisions of article 6.2, subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:

- (a) an Investor;
- (b) a Fund Manager who advises or manages an Investor;
- (c) any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
- (d) another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

6.4 *Terms and conditions of Board authorisation for an Investor Director*

Notwithstanding the other provisions of this article 6, it shall not (save with the consent in writing of an Investor Director) be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in article 6.6.

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

Subject to article 6.6 (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 6), 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.

6.6 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 6.5 shall apply only if the conflict arises out of a

matter which falls within article 6.2 or article 6.3 or has been authorised under section 175(5)(a) of the Act.

7. Dividends

7.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this article 7 if so determined by the Board.

7.2 Until such time as the holders of Seed Preferred Shares have received an amount per Seed Preferred Share held equal to the Original Purchase Price of such Seed Preferred Share, any Available Profits which the Company may determine (with the prior written consent of the Investor Majority and unanimous consent of the Board) to distribute shall be distributable:

(a) first, in paying the greater of:

(i) a sum equal to the aggregate Original Purchase Price of all the Seed Preferred Shares in issue at the relevant time, or such lesser amount such that the holders of Seed Preferred Shares, across one or more distributions of Available Profits payable on one or more occasions pursuant to this article 7.2, never receive an amount per Seed Preferred Share held equal to more than the Original Purchase Price per Seed Preferred Share) to be distributed to the holders of the Seed Preferred Shares pro-rata according to the number of Seed Preferred Shares held by them; and

(ii) an amount per share held equivalent to that which the holders of Seed Preferred Shares would have received had the Seed Preferred Shares converted into Ordinary Shares immediately prior to the distribution; and

(b) thereafter any such Available Profits, if any, shall be distributed to the holders of the Ordinary Shares on a pro-rata basis according to the number of Ordinary Shares held by them.

7.3 Once the holders of Seed Preferred Shares have received an amount per Seed Preferred Share held equal to the Original Purchase Price of such Seed Preferred Share (whether under one or more distributions of Available Profits pursuant to Article 7.2), from that time any Available Profits which the Company may determine, with Investor Majority Consent, to distribute in respect of any Financial Year, will be distributed among the holders of the Equity Shares pro rata to their respective holdings of Equity Shares.

7.4 Subject to the Act and these Articles, the Board may unanimously resolve, provided Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period payment of which will be in the manner set out in article 7.2 or 7.3 (as the case may be).

7.5 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".

8. Liquidation preference

- 8.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):
- (a) first in paying to each of the holders of the Seed Preferred Shares, in priority to any other classes of Shares, the greater of:
 - (i) an amount per share held equal to the Original Purchase Price less the sum of all and any amounts previously paid to the holders of Seed Preferred Shares pursuant to article 7.2 (if any) (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Original Purchase Price of all Seed Preferred Shares in full, the remaining surplus assets shall be distributed to the holders of the Seed Preferred Shares pro rata to the amount they would otherwise have received hereunder; and
 - (ii) an amount per share held equivalent to that which the holders of Seed Preferred Shares would have received had the Seed Preferred Shares converted into Ordinary Shares immediately prior to such liquidation or return of capital, less the sum of all and any amounts previously paid to the holders of Seed Preferred Shares pursuant to article 7.2 (if any);
 - (b) second in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
 - (c) the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

9. Exit provisions

- 9.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in article 8 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:
- (a) 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 8; and
 - (b) the Shareholders shall take any action required by the Investors to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in article 8.
- 9.2 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 8 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 an Investor Majority (including, but without prejudice to the generality of this article 9.2, actions that may be necessary to put the Company into voluntary liquidation so that article 8 applies).

10. Votes in general meeting and written resolutions

- 10.1 The Seed Preferred Shares shall confer on each holder of Seed Preferred 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.
- 10.2 The Ordinary Shares shall, subject to Article 19.7, 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.
- 10.3 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 10.4 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.

11. Conversion of Seed Preferred Shares

- 11.1 Any holder of Seed Preferred Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the Seed Preferred Shares held by them at any time and those Seed Preferred Shares shall convert automatically on the date of such notice (the "**Conversion Date**"). The holder may in such notice, state that conversion of its Seed Preferred Shares into Ordinary Shares is conditional upon the occurrence of particular events (the "**Conditions**").
- 11.2 All of the Seed Preferred Shares shall automatically convert into Ordinary Shares:
 - (a) on the date of a notice given by the Investor Majority (which date shall be treated as the Conversion Date) and which notice may be subject to Conditions; or
 - (b) immediately upon the occurrence of an IPO.
- 11.3 In the case of (i) article 11.1 and 11.2(a), at least five Business Days after the Conversion Date or (ii) in the case of article 11.2(b), at least five Business Days prior to the occurrence of the IPO, each holder of the relevant Seed Preferred Shares shall deliver the certificate (or a suitable indemnity) in respect of the shares being converted for such shares to the Company at its registered office for the time being.
- 11.4 Where conversion is mandatory on the occurrence of an IPO, that conversion will be effective only immediately prior to such IPO (and "**Conversion Date**" shall be construed accordingly) and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred. In the event of a conversion under article 11.1 or 11.2(a), if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 11.5 On the Conversion Date, the relevant Seed Preferred Shares shall without further authority than is contained in these articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Seed Preferred Share held and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.

- 11.6 The Company shall on the Conversion Date enter the holder of the converted Seed Preferred Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivering its certificate(s) (or indemnity) in respect of the Seed Preferred Shares in accordance with this article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Seed Preferred Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.

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

- 12.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.

- 12.2 Unless otherwise determined by special resolution, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each holder of Equity Shares by:

- (a) giving details of the number and subscription price of the New Securities;
- (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
- (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- (d) stating that, if there is competition among the holders of Equity Shares for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Equity Shares (his "**Proportionate Allocation**");
- (e) if determined by the Company, inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("**Extra Securities**") and, if so, the number of Extra Securities.

- 12.3 On expiry of an offer made in accordance with article 12.2 (or sooner if applications or refusals have been received from all holders of Equity Shares and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows (fractional entitlements shall be rounded to the nearest whole number):

- (a) if the total number of New Securities applied for is equal to or less than the New Securities offered, each holder of Equity Shares shall be allocated the number applied for by him following which the Directors may, subject to these articles and the Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit within 60 days of the original offer date, but on no less favourable terms; or
- (b) if the total number of New Securities applied for is more than the New Securities offered, each holder of Equity Shares shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and
- (c) applications for Extra Securities shall be allocated in accordance with such applications or, in the event of competition, among those holders of Equity Shares applying for Extra Securities in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Securities

than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Securities have been allocated.

- 12.4 Subject to the requirements of articles 12.2 and 12.3 (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, provided that the allotment or grant to that person must be approved in writing by an Investor Majority.
- 12.5 The provisions of articles 12.2 and 12.3 shall not apply to:
- (a) options to subscribe for Ordinary Shares under the Share Option Plan and the allotment and issue of Ordinary Shares on the exercise of such options;
 - (b) New Securities issued or granted in order for the Company to comply with its obligations under these articles including, but not limited to the Anti-Dilution Shares;
 - (c) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority;
 - (d) New Securities which the Board and the Investor Majority have agreed in writing should be issued without complying with the procedure set out in this article12;
 - (e) New Securities issued upon the cancellation or conversion of any debenture, warrant or other convertible or exchangeable security which has been approved in writing by an Investor Majority;
 - (f) New Securities issued as a result of a Bonus Issue or Reorganisation which has been approved in writing by an Investor Majority; and
 - (g) Seed Preferred Shares and/or Ordinary Shares issued in accordance with the terms of the Subscription and Shareholders' Agreement.
- 12.6 Any New Securities offered under this article 12 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this article 12.
- 12.7 No Shares shall be allotted 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 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.
- 12.8 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. The Directors are not authorised to determine the terms, conditions and manner of redemption unless express authorisation to do so is given by the Shareholders by ordinary resolution and the Investor Majority. Article 22(2) of the Model Articles shall not apply to the Company.

13. Anti-Dilution protection

- 13.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Investor Majority shall have specifically waived the rights of all of the holders of Seed Preferred Shares, issue to each holder of Seed Preferred Shares (the "**Exercising Investor**") a number of new Seed Preferred Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with article 13.3 (the "**Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

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

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

SIP = Starting Price

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) (and where the number of shares subject to convertible securities is not then determinable, the number of shares to be used shall be the number of shares which the Board determines is the best estimate of the number of shares into which the convertible securities will ultimately convert) in each case immediately prior to the Qualifying Issue but excluding any such shares which are comprised in the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue

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

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

13.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or 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 and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in article 13.1 so that the Exercising Investors shall be in no worse position

than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of article 13.1 or this article 13.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and

- (b) subject to the payment of any cash payable pursuant to article 13.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Seed Preferred Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to article 13.2(a).

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

14: Transfers of Shares – general

- 14.1 Reference to the transfer of a Share in these articles 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.
- 14.2 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 Transfer Notice in respect of all Shares held by him.
- 14.3 Unless express provision is made in these Articles to the contrary, no Ordinary Shares held by any Founder shall be transferred (other than to a Permitted Transferee) during the Relevant Period without Investor Majority Consent.
- 14.4 The Directors may refuse to register a transfer of a Share if:
 - (a) a Shareholder transfers a Share other than in accordance with these articles;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
 - (c) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company.

Article 26(5) of the Model Articles shall be modified accordingly.

- 14.5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.

14.6 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.

14.7 Any transfer of a Share by way of sale which is required to be made under articles 16 to 21 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

15. Permitted Transfers

15.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.

15.2 Shares previously transferred as permitted by article 15.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

15.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.

15.4 A transfer of any Shares approved by the Investor Majority and the Board may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors.

15.5 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, with prior written consent of the Investor Majority.

16. Transfers of Shares subject to pre-emption rights

16.1 Save where the provisions of articles 15, 21 and 22 apply, 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 (which cannot be withdrawn save with the consent of the Board (with Investor Majority Consent)) (a "**Transfer Notice**") to the Company (constituting the Company the agent of the Seller) specifying:

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which he wishes to transfer the Sale Shares.

If no cash price is specified by the Seller, the price at which he is to transfer the Sale Shares shall be agreed between the Seller and the Board (with Investor Majority Consent) (but with any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice (the "**Transfer Price**"). If no price is agreed it will be deemed to be Fair Value of the Sale Shares.

If a Shareholder is deemed to have given a Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (with Investor Majority Consent) (but with any Director who is a Seller or with whom the Seller is connected (within section 252 of

the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice) and failing such agreement such price will be deemed to be the Fair Value of such Shares.

- 16.2 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under article 17), the Company shall give notice in writing to each holder of Equity Shares other than the Seller (each an "**Eligible Shareholder**"):
- (a) inviting him to apply for the Sale Shares at the Transfer Price;
 - (b) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
 - (c) stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares within a class of Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of Equity Shares (his "**Proportionate Allocation**");
 - (d) inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation ("**Extra Shares**") and, if so, the number of Extra Shares.
- 16.3 On expiry of an offer made in accordance with article 16.2 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows (fractional entitlements shall be rounded to the nearest whole number):
- (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
 - (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied; and
 - (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all Shares have been allocated.
- 16.4 The Company shall give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated, which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 16.5 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 16.6 If the Seller fails to comply with the provisions of article 16.5:
- (a) the chairman or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:

- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
 - (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
 - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).
- 16.7 If an Allocation Notice does not relate to all the Sale Shares then, subject to article 16.8, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included within the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 16.8 The right of the Seller to transfer Shares under article 16.7 does not apply if the Board is of the opinion on reasonable grounds that:
- (a) 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
 - (b) 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.
- 16.9 Any Sale Shares offered under this article 16 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or any Member of the same Group as that Investor in accordance with the terms of this article 16.

17. Valuation of Shares

- 17.1 If no price is agreed between the Seller and the Board then, upon service of the Transfer Notice the Board shall either:
- (a) appoint an expert valuer in accordance with article 17.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or
 - (b) if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.
- 17.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 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 appointed by the Company.
- 17.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

- (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares, including those in articles 8 and 9; and
 - (e) reflect any other factors which the Expert Valuer reasonably believe should be taken into account.
- 17.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 17.5 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.
- 17.6 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 17.7 The cost of obtaining the certificate shall be paid by the Company unless:
- (a) the Seller cancels the Company's authority to sell; or
 - (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed,
- in which case the Seller shall bear the cost.

18. Compulsory transfers – general

- 18.1 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.
- 18.2 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 18.3 If a Permitted Transferee ceases to be a Permitted Transferee of 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 another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

- 18.4 On the death, 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.
- 18.5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this article 18.5 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.

- 18.6 If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or, in the case of any Permitted Transferee and/or nominee, procure the giving of) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferees' names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice. This article shall not apply to the Lead Investor.

19. Compulsory conversion – Founders

- 19.1 Subject to articles 19.3 and 19.4, unless the Board and the Investor Majority determine that this article 19.1 shall not apply, if at any time during the Relevant Period a Founder ceases to be an Employee by reason of being a Bad Leaver, all of the Founder Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share).
- 19.2 Subject to articles 19.3 and 19.4, unless the Board and the Investor Majority determine that this article 19.2 shall not apply, if at any time during the Relevant Period a Founder ceases to be an Employee by reason of being a Good Leaver, the Leaver's Percentage of the Founder Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share),

save that, subject to article 19.4, if such Founder ceases to be an Employee within 12 months from the Date of Adoption all of such Founder Shares shall so convert.

- 19.3 Notwithstanding articles 19.1 and 19.2, unless the Board and the Investor Majority determine that this article 19.3 shall not apply, if Darren Westlake does not become a full-time employee of the Company (or another member of the Group) on or before 31 December 2021 (or such later date as may be agreed in writing between the Company, Darren Westlake and an Investor Majority), all of the Shares held by Darren Westlake on the Date of Adoption (whoever may then hold them) shall convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on 1 January 2022 (or such later date as may be agreed in writing between the Company, Darren Westlake and an Investor Majority).
- 19.4 Notwithstanding articles 19.1 and 19.2, in the event that Darren Westlake becomes a full-time employee of the Company (or another member of the Group) on or after 2 August 2021 (his date of joining being the "**Start Date**"), then in respect of Darren Westlake only:
- (a) NM in the calculation of Leaver's Percentage shall be reduced by 1 for each full month from 2 July 2021 to his Start Date (the "**NM Deduction**"); and
 - (b) the 48 month period referred to in the definition of "Relevant Period" shall be increased by the NM Deduction of months; and
 - (c) the 12 month period referred to in article 19.2 shall be increased by the NM Deduction of months.
- 19.5 Upon any conversion into Deferred Shares pursuant to this article 19, 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 Effective Termination Date. Upon the Effective Termination Date, the Founder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Ordinary Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.
- 19.6 The Company shall be entitled to retain any share certificate(s) relating to Founder Shares, while any such Shares remain subject to the provisions of this article 19.
- 19.7 All voting rights attached to Shares held by an Employee or by any Permitted Transferee of that Employee (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board and the Investor Majority notify him otherwise.
- 19.8 Any Shares whose voting rights are suspended pursuant to article 19.7 ("**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 19.7 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles other than pursuant to a Permitted Transfer, 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.

- 19.9 If the Board determines that any approvals are needed by any person from a regulator to acquire or increase control (within the meaning set out in part XII of the Financial Services and Markets Act 2000) over the Company (each an "**Approval**") as a result of the conversion of any Shares into Deferred Shares and/or the suspension of voting rights pursuant to this Article 19, such conversion and/or suspension shall take place subject to and conditional upon such Approval being granted and any affected shares or voting rights (as the case may be) shall in the interim period be deemed to be held on trust by such person as the Board (with Investor Majority Consent) may designate as a suitable independent trustee.

20. Deferred Shares

- 20.1 No Deferred Share shall have any entitlement to a dividend.
- 20.2 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 20.3 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
 - (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
 - (c) purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 20.4 No Deferred Share may be transferred without the prior consent of the Board.

21. Co-Sale right

- 21.1 No transfer (other than a Permitted Transfer) of any Equity Shares held by an Employee or ex-Employee may be registered unless the selling Shareholder (a "**Selling Member**") shall have observed the following procedures of this article, unless the Investor Majority has determined that this article 21 shall not apply to such transfer.
- 21.2 After the Selling Member has gone through the pre-emption process set out in article 16, the Selling Member shall give to each holder of Seed Preferred Shares not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:
- (a) the identity of the proposed purchaser (the "**Buyer**");
 - (b) the price per share which the Buyer is proposing to pay;

- (c) the manner in which the consideration is to be paid;
- (d) the number of Equity Shares which the Selling Member proposes to sell; and
- (e) the address where the counter-notice should be sent.

21.3 Each holder of Seed Preferred Shares shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Member 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 holder of Seed Preferred Shares wishes to sell.

21.4 The maximum number of Equity Shares which a holder of Seed Preferred Shares can sell under this procedure shall be:

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

where:

X is the number of Equity Shares held by the holder of Seed Preferred Shares;

Y is the total number of Equity Shares;

Z is the number of Equity Shares the Selling Member proposes to sell,

unless, the Buyer is, in the reasonable opinion of the Board (including the Investor Director if appointed), a competitor of the Company, in which case the maximum number of Equity Shares which a holder of Seed Preferred Shares can sell under this procedure shall be all of the Equity Shares held by such holder of Seed Preferred Shares.

21.5 Any holder of Seed Preferred Shares who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Equity Shares.

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

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

21.8 Sales made under a Co-Sale Notice in accordance with this article 21 shall not be subject to article 16.

22. Drag-along

22.1 If the holders of more than 50% of the Equity Shares entitled to vote including the Investor Majority (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 require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares (the "**Called Shares**") to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this article 22.

- 22.2 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 immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this article 22, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article 22) and the proposed date of transfer.
- 22.3 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 Proposed Purchaser within 40 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.
- 22.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Called Shares and the Sellers' Shares were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 9.
- 22.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this article 22.
- 22.6 In respect of a transaction that is the subject of a Drag Along Notice:
- (a) 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 amounts due pursuant to article 22.4 when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into the stock transfer form and indemnity for a lost certificate (if applicable) and the full title guarantee of the Shares held by such Called Shareholder; and
 - (b) the liability of such Called Shareholder is several and not joint with any other person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Shareholder of any of identical representations, warranties and covenants provided by all Shareholders), and is pro rata in proportion to, and does not exceed, the amount of consideration received by such Called Shareholder in connection with such proposed transaction.
- 22.7 Within five Business Days of the Company serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or an indemnity for a lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to article 22.4 to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt for the amounts due pursuant to article

22.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to article 22.4 in trust for the Called Shareholders without any obligation to pay interest.

- 22.8 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to article 22.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 22 in respect of their Shares.
- 22.9 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or an indemnity) for its Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to article 22.4 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 provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to article 22.4.
- 22.10 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of article 16.
- 22.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option 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 Proposed Purchaser or as the Proposed Purchaser may direct 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.
- 22.12 In the event that an Asset Sale is approved by the Board and the holders of more than 50% of the Equity Shares entitled to vote including the Investor Majority, such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of articles 8 and 9.

23. Mandatory Offer on a Change of Control

- 23.1 Except in the case of Permitted Transfers and transfers pursuant to article 18, after going through the pre-emption procedure in article 16, the provisions of article 23.2 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 (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 23.2 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 the purpose of this article 23, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Selling Member were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with articles 8 and 9.

- 23.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 23.4 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.
- 23.5 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.
- 23.6 The Proposed Transfer is subject to the pre-emption provisions of article 16 but the purchase of the Accepting Shareholders' Shares shall not be subject to article 16.

24. Purchase of own Shares

Subject to the Act, the Company may purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.

25. Variation of rights

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 save that the special rights attaching to the Seed Preferred Shares may only be varied or abrogated with Investor Majority Consent.

26. Indemnities and insurance

26.1 Subject to the provisions of the Act:

- (a) without prejudice to any indemnity to which a Director or officer of the Company may otherwise be entitled, every Director or other officer of the Company (other than the auditors of the Company) shall be entitled to be indemnified out of the assets of the Company against all costs, losses, liabilities and expenses which he may sustain or incur in or about the execution of the duties of his, her or its office or otherwise in relation to his, her or its office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his, her or its favour or in which he is acquitted or in connection with any application under sections 144 or 727 of the Act or sections 661(3) or (4) or 1157 of the Act in which relief is

granted to him by the court, and no Director or other officer (other than the auditors of the Company) shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his, her or its office or otherwise in relation to his, her or its office;

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

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