



THE COMPANIES ACT 2006

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

**ACTIONCY TECH LTD.**

**Company number: 12195111**

(Adopted by special resolution of the Shareholders of the Company  
dated 4th of October 2019)

**1. Preliminary**

- 1.1 Except as otherwise provided in these articles the Model Articles shall apply to the Company. In the case of any inconsistency between these articles and the Model Articles, the provisions of these articles shall prevail. A copy of the Model Articles is set out in part 2 of the schedule to these articles.
- 1.2 Articles 7(2), 8, 9(3), 9(4), 11(2), 14, 15, 17(2) and (3), 18, 19(2), 19(4), 20, 21, 26(1), 26(5), 31(1), 30(5), 30(6), 30(7), 36(4), 41(1), 44(4), 45(1), 46(4), 51, 52 and 53 of the Model Articles shall not apply.
- 1.3 Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company.
- 1.4 The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

**2. Definitions and interpretation**

- 2.1 In these articles the following words and expressions shall (except where the context otherwise requires) have the following meanings:

**"Accepting Shareholder"** has the meaning given in article 19.5;

**"Act"** means the Companies Act 2006;

**"Acting in Concert"** has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

**"Actions"** has the meaning given in article 10.8;

**"Allocation Notice"** has the meaning given in article 18.3.9;

**"alternate"** and **"alternate director"** have the meaning given in article 7;

"**Applicant**" has the meaning given in article 18.3.9;

"**Appointor**" has the meaning given in article 7.1;

"**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 of all or substantially all of the undertaking or assets of the Company or the Group Companies (taken as whole) (where disposal may include, without limitation, the sale or grant by the Company or Group Company of an exclusive licence of the material intellectual property of the Company or the Group Companies (taken as whole) not entered into in the ordinary course of business);

"**associated**" has the meaning given in article 17.4;

"**Accountants**" means the Accountants 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 a person (other than the Founder) who ceases to be an Employee at any time;

"**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 (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to Shareholders) 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;

"**Business Day**" means any day other than a Saturday, Sunday or a public holiday in City of England;

"**call**" has the meaning given in article 12.1;

"**Called Shareholders**" has the meaning given in article 21.1;

"**Called Shares**" has the meaning given in article 21.2(a);

"**Call Notice**" has the meaning given in article 12.1;

"**Call Payment Date**" has the meaning given in article 12.10(a)

"**Company**" means Actioncy Tech Ltd.;

"**Company's Lien**" has the meaning given in article 11.1;

"**Conditions**" has the meaning given in article **Error! Reference source not found.**;

"**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 CTA 2010;

"**CTA 2010**" means the Corporation Tax Act 2010;

"**Date of Adoption**" means the date on which these articles were adopted;

"**Drag Along Notice**" has the meaning given in article 21.2;

"**Drag Along Option**" has the meaning given in article 21.1;

"**Drag Completion Date**" has the meaning given in article 21.6;

"**Drag Consideration**" has the meaning given in article 21.4;

"**Drag Documents**" has the meaning given in article 21.6(c);

"**Drag Purchaser**" has the meaning given in article 21.1;

"**EEA State**" has the meaning given in schedule 1 of the Interpretation Act 1978 (a copy of which provision as at the date of adoption of these articles is set out in part 1 of the schedule to these articles);

"**Effective Termination Date**" means the date on which, in the case of an Employee, the Employee gives or receives notice of the termination of his employment or engagement or the Employee's employment or engagement shall otherwise terminate;

"**Electronic Address**" has the meaning given in section 333(4) of the Act (a copy of which provision as at the date of adoption of these articles is set out in part 1 of the schedule to these articles);

"**Electronic Means**" has the meaning given in section 1168(4) of the Act (a copy of which provision as at the date of adoption of these articles is set out in part 1 of the schedule to these articles);

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

"**Employee**" means an individual who is employed by or provides consultancy services to any Group Company;

"**Employee Shares**" in relation to an Employee or former Employees means all Shares held by:

- (a) the Employee or former Employee in question; and
- (b) any Permitted Transferee of that Employee or former Employee other than those Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or former Employee or by reason of that person's relationship with the Employee or former Employee;

"**Equity Shares**" means the Ordinary Shares;

"**Exercising Investor**" means any Investor who exercises its rights to acquire Anti-Dilution Shares in accordance with article 23.1;

"**Exit Event**" means:

- (a) a Share Sale (other than a Reorganisation); or

(b) an Asset Sale;

**"Expert Valuer"** has the meaning given in article 18.5.1;

**"Fair Value"** has the meaning given in article 18.5.4;

**"Finally Determined"** means determined by an employment tribunal or by a court of competent jurisdiction against which there is either no right of appeal or where no appeal is made by the Employee or the relevant Group Company within the applicable time limit;

**"Founder"** means Christian-Peter Heimbach;

**"Fractional Holders"** has the meaning given in article **Error! Reference source not found.**;

**"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 (acting with Investor Director 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 and **"Group Company"** shall be construed accordingly;

**"Group Undertaking"** has the meaning given in section 1161(5) of the Act (a copy of which provision as at the date of adoption of these articles is set out in part 1 of the schedule to these articles);

**"Interested Director"** has the meaning given in article 6.4;

**"Investor Director Consent"** means the prior written consent of the Investor Director;

**"Investor Majority"** means the Investors together holding more than 50% of Shares owned by Investors in issue from time to time;

**"Investor Majority Consent"** means the prior written consent of an Investor Majority;

**"Investors"** means Nigel Morris, and any other person who holds Shares other than an Employee or the Founder;

**"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);

**"Lien Enforcement Notice"** has the meaning given in articles 11.3 and 11.4;

**"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;

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

**"New Securities"** means any Shares or other securities convertible into, or carrying the right to subscribe for, those Shares issued by the Company after the Date of Adoption, other than:

- (a) options to subscribe for Ordinary Shares under any Share option plan in existence on the Date of Adoption or otherwise approved by the Board with Investor Majority Consent;
- (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; and
- (c) New Securities issued as a result of a Bonus Issue or Reorganisation which has been approved with Investor Majority Consent;

**"New Shareholder"** has the meaning given in article 21.10;

**"nil paid"** in relation to a Share means that none of that Share's nominal value or any premium at which it was issued has been paid to the Company;

**"Occupational Pension Scheme"** has the meaning given in section 235(6) of the Act;

**"Offer"** has the meaning given in article 19.2;

**"Offer Period"** has the meaning given in article 18.3.6;

**"Officer"** in relation to a body corporate includes a director, manager or secretary;

**"Original Shareholder"** has the meaning given in article 18.2.1;

**"Ordinary Shares"** means the ordinary Shares of £0.001 each in the capital of the Company;

**"partly paid"** in relation to a Share means that part of that Share's nominal value or any premium at which it was issued which has not been paid to the Company;

**"Permitted Transfer"** has the meaning given in article 18.2.1;

**"Permitted Transferee"** has the meaning set out article 18.2.1;

**"Primary Holder"** has the meaning given in article 16.5;

**"Priority Rights"** means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in article 18.3 or article 18.4.7 (as the case may be);

**"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 with Investor Majority Consent;

**"Proposed Exit"** has the meaning given in article 10.8;

**"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 19.3;

**"Proposed Sale Notice"** has the meaning given in article 19.3;

**"Proposed Sale Shares"** has the meaning given in article 19.3

**"Proposed Seller"** has the meaning given in article 18.3;

**"Proposed Transfer"** has the meaning given in article 19.1;

**"Proxy Notice"** has the meaning given in article 8.9;

**"Purchaser"** has the meaning given in article 19.7(a);

**"Qualifying IPO"** means an IPO at an issue price per Ordinary Share of at least three times the Starting Price (subject to appropriate adjustment following any Bonus Issue or Reorganisation);

**"Qualifying Issue"** has the meaning given in article **Error! Reference source not found.;**

**"Qualifying Person"** has the meaning given in section 318(3) of the Act (a copy of which provision as at the date of adoption of these articles is set out in part 1 of the schedule to these articles);

**"Reorganisation"** means a bona fide reorganisation of the Shares or of the Company's assets for tax or other purposes whereby the ultimate person or persons who will own either directly or indirectly the Shares or the Company's assets immediately after such reorganisation will be the same, or substantially the same, as the persons who owned either directly or indirectly the Shares or the Company's assets immediately before such reorganisation;

**"Relevant Date"** has the meaning given in article 12.10(b);

**"Relevant Interest"** has the meaning given in article 6.4;

**"Relevant Officer"** means any director or other Officer or former director or Officer of the Company or an associated company (within the meaning given in article 17.4);

**"Restricted Member"** has the meaning given in article 23.1;

**"Restricted Shares"** has the meaning set out in article 23.2;

**"Sale Agreement"** has the meaning given in article 21.2(e);

**"Sale Shares"** has the meaning given in article 18.3.1(a);

**"Selling Shareholders"** has the meaning given in article 21.1;

**"Selling Shares"** has the meaning given in article 21.1;

**"Shares"** has the meaning given in article 9.1;

**"Shareholder"** means any holder of any 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 or a material Subsidiary 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 or a material Subsidiary of 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 or a material Subsidiary of the Company immediately prior to the sale;

"**Specified Price**" has the meaning given in article 19.7;

"**Supplemental Consideration**" has the meaning set out in article 19.7(b);

"**Surplus Shares**" has the meaning given in article 18.3.8;

"**Tag-Along Offer Period**" has the meaning given in article 19.3;

"**Transfer**" has the meaning given in article 19.7(a);

"**Transfer Notice**" has the meaning given in article 18.3.1;

"**Transfer Price**" has the meaning given in article 18.3.1(c); and

"**Subsidiary**", "**Subsidiary Undertaking**" and "**Parent Undertaking**" have the respective meanings set out in sections 1159 and 1162 of the Act.

2.2 In these articles:

- (a) words and expressions defined in the Model Articles (or, in the absence of such definition in the Model Articles, in the Act) shall have the same meanings in these articles unless stated otherwise or the context otherwise requires;
- (b) headings are used for convenience only and shall not affect the construction or interpretation of these articles;
- (c) reference in these articles to an "**article**" is a reference to the relevant article of these articles unless expressly provided otherwise;
- (d) reference to any statute or statutory provision includes, unless expressly provided otherwise, a reference:
  - (i) to that statute or statutory provision as from time to time consolidated, modified, re-enacted (with or without modification) or replaced by any statute or statutory provision; and
  - (ii) any subordinate legislation made under the relevant statutory provision;
- (e) reference in these articles to "**writing**" or "**written**" includes typing, printing, lithography, photography and other modes of representing words in a legible and non-transitory form, including electronic form.

3. **Objects**

The objects of the Company are unlimited.

4. **Directors**

4.1 Unless otherwise determined by ordinary resolution, the number of directors shall not be more than five..

4.2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no directors, the transmittee(s) of the last Shareholder to have died or to have had a bankruptcy order made against him (as the case may be) shall have the right, by notice in

writing, to appoint a natural person (including a transmittee who is a natural person) to be a director.

- 4.3 For the purposes of article 4.3, where two 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. Article 17(2) and (3) of the Model Articles shall not apply.

- 4.4 A person shall cease to be a director as soon as that person:

- (a) has a bankruptcy order made against him;
- (b) ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;
- (c) becomes, in the reasonable opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director;
- (d) resigns his office by written notice to the Company and such resignation takes effect in accordance with its terms;

Article 18 of the Model Articles shall not apply.

- 4.5 Subject to Investor Majority Consent, the directors are entitled to such remuneration:

- (a) as the Company may by ordinary resolution determine for their services to the Company as directors; and
- (b) as the directors may determine for any other service which they undertake for the Company.

Article 19(2) of the Model Articles shall not apply.

- 4.6 Subject to article 4.5 and unless the Company by ordinary resolution resolves otherwise or, in the case of remuneration under article 4.7(b), the directors decide otherwise, directors' remuneration accrues from day to day. Article 19(4) of the Model Articles shall not apply.

- 4.7 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary 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. Article 20 of the Model Articles shall not apply.

- 4.8 Each of the Founders for so long as he holds any Equity Shares and is an Employee shall have the right to appoint and maintain in office one natural person as a director of the Company (and as a member of each and any committee of the Board) and to remove the director so appointed and, upon his removal, to appoint another director in his place.

- 4.9 The Investors for so long as they hold any Equity Shares shall have the right to appoint and maintain in office one natural person as a director of the Company (and as a member of each and any committee of the Board and any board of directors of any Group Company (or local

equivalent) or committee thereof) and to remove the director so appointed and, upon his removal whether by the Investors or otherwise, to appoint another director in his place.

- 4.10 An appointment or removal of a director under articles 4.8 and 4.9 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 or committee thereof.
- 4.11 In respect of the appointment of a director under articles 4.8 and 4.9, the Shareholders (other than the relevant appointors) shall not vote their Shares so as to remove that director from office.
- 4.12 The director appointment rights in articles 4.8 and 4.9 shall be in addition to the powers of appointment under article 17(1) of the Model Articles.

## **5. Directors' decision-making**

- 5.1 Notice of a directors' meeting must in so far as is reasonably practicable be given to each director and alternate director (whether or not in the United Kingdom) in writing and, subject to article 5.6, the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director or alternate director shall not invalidate the proceedings at that meeting.

- 5.2 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. Article 9(4) of the Model Articles shall not apply.

- 5.3 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 in article 7(1) of the Model Articles shall not apply and the director, or his alternate, may (so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making, except that he must comply with the provisions of article 5.5. Article 7(2) of the Model Articles shall not apply.

- 5.4 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, provided that the Eligible Directors would have formed a quorum if the matter had been proposed at a meeting. Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by Electronic Means). Article 8 of the Model Articles shall not apply.
- 5.5 The directors must ensure that the Company keeps a record, in writing, of all directors' decisions for at least ten years from the date of their adoption, including those taken by a sole director or a committee of directors, and where decisions of the directors are taken by Electronic Means, such decisions shall be recorded in permanent form so that they can be read with the naked eye. Article 15 of the Model Articles shall not apply.
- 5.6 Subject to any contrary provision of these articles, the quorum for directors' meetings may be fixed from time to time by a decision of the Shareholders and unless otherwise fixed it is two (one of whom must be the RICP Director if appointed), save that in the event that there is only one Eligible Director who would be entitled to vote on a matter if proposed as a

resolution at a directors' meeting, the quorum for such meeting (or other decision making process) shall be one. Article 11(2) of the Model Articles shall not apply. 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, so far as is reasonably practicable, the same time and place. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

## **6. Directors' conflicts of interests**

6.1 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, namely:

- (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, Shareholder or other Officer of, or consultant to, a Group 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) under 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 Shareholder 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 acts) 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.

Article 14 of the Model Articles shall not apply.

6.2 For the purposes of this article 6, 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.

6.3 In any situation permitted by this article 6 (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.

- 6.4 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 6.5 and 6.6, 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
  - (c) 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 6.
- 6.5 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), 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 the directors, or to any director, 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 he 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 6.1 or has been authorised under section 175(5)(a) of the Act (subject to any restrictions imposed by the authorising directors).
- 6.7 Where a director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the director may 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.
- 6.8 Subject to section 182 of the Act, a director shall declare the nature and extent of any interest permitted by article 6.1 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 6.1(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.
- 6.9 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, in relation to any resolution concerning a matter in which he has an interest, whether a direct or indirect interest, or in relation to which he has a duty:
  - (a) can vote, and be counted in reckoning as to whether a quorum is present, at a meeting of the directors or of a committee of the directors; and
  - (b) shall be an Eligible Director, and be counted as participating, for the purposes of determining whether a quorum is participating.
- 6.10 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.
- 6.11 Subject to the provisions of the Act and provided (if these articles so require) that he has declared to the directors in accordance with the provisions of these articles, the nature and extent of his interest, where a director is the RICP 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 which 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 or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.
- 6.12 Notwithstanding the other provisions of this article 6, it shall not (save with the consent in writing of the RICP Director) be made a condition of any authorisation of a matter in relation to that the RICP 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 6.5.
- 6.13 For the purposes of this article 6:
  - (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; and
  - (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.
- 7. Alternate directors**
- 7.1 Any director (the "**Appointor**") (other than an alternate director) may appoint as an alternate any other director or any other person 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.
- 7.2 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.
- 7.3 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.
- 7.4 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.
- 7.5 Except as these articles specify otherwise, an alternate director:
  - (a) is deemed for all purposes to be a director;
  - (b) is liable for his own acts and omissions;

(c) is subject to the same restrictions as his Appointor; and

(d) is not deemed to be an agent of or for his Appointor,

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.

7.6 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).

No alternate may be counted as more than one director for such purposes.

7.7 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).

7.8 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.

7.9 An alternate director's appointment as an alternate director shall terminate:

(a) when the alternate director'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 director 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 director's Appointor; or

(d) when the alternate director's Appointor's appointment as a director terminates for any other reason.

## **8. Decision-making by Shareholders**

8.1 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, the meeting shall stand adjourned to the same day in the next week at the same time and place or such date and time as the directors may determine. Article 41(1) of the Model Articles shall not apply. Article 41(4) of the Model Articles shall only apply to meetings adjourned under article 41(2) of the Model Articles.

8.2 The provisions of section 318 of the Act shall apply to the Company, save that:

(a) if there is only one Shareholder who is permitted to vote upon the business at the meeting, the quorum for that part of meeting considering the business for which only one Shareholder is permitted to vote shall be one Qualifying Person present at the meeting; and

(b) if a quorum is not present at any meeting adjourned for the reason referred to in the first sentence of article 8.1, then, provided that the Qualifying Person present holds

or represents the holder of at least 75 per cent in nominal value of the ordinary Shares of the Company in issue, 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.

- 8.3 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.
- 8.4 If at any general meeting any votes are counted which ought not to have been counted, or are not counted which ought to have been counted, the error shall not vitiate the result of the voting unless:
- (a) it is pointed out at the same meeting; and
  - (b) it is, in the opinion of the chairman of the meeting, of sufficient magnitude to affect the result of the voting.
- 8.5 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.
- 8.6 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. Article 44(4) of the Model Articles shall not apply.
- 8.7 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.
- 8.8 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.
- 8.9 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) (subject to article 8.8) is either handed to the chairman any time before the start of the relevant meeting or delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

Article 45(1) of the Model Articles shall not apply.

- 8.10 If a Proxy Notice is executed on behalf of the Shareholder appointing the proxy, it must be accompanied by written evidence of the authority (being the original, a duly certified copy of the grant of authority or such other evidence as the directors deem appropriate) of the person who executed it to execute it on the appointor's behalf. Article 46(4) of the Model Articles shall not apply.

## **9. Shares**

- 9.1 The issued Share capital of the Company at the Date of Adoption is divided into Ordinary Shares of £0.001 each (together, the "**Shares**"). Subject to the remaining provisions of this Article 9, the directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

- (a) allot Shares; or
- (b) grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the directors think proper, provided that:

- (1) this authority shall be limited to a maximum nominal amount of [£];
- (2) this authority shall only apply insofar as the Company has not by resolution waived or revoked it;
- (3) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

This authority is in substitution for all subsisting authorities.

- 9.2 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.
- 9.3 Article 21 of the Model Articles shall not apply.
- 9.4 No voting rights attached to a Share which is nil paid may be exercised:
- (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
  - (b) on any proposed written resolution, unless all or some of the amounts payable to the Company in respect of that Share have been paid.
- 9.5 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company. Any equity securities offered under article 9.8 to an Investor may be accepted in full or part by a Member of the same Fund Group as that Investor.
- 9.6 Subject to articles 9.8 and unless otherwise determined by special resolution (with Investor Majority Consent), if the Company proposes to allot any New Securities those New Securities

shall not be allotted 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).

- 9.7 Any offer required to be made under article 9.7 shall be made by written notice to each relevant Shareholder at his registered address or the email address provided for this purpose. The notice shall specify the number of New Securities offered and the period, being at least ten (10) Business Days from the date of the notice (inclusive) (the “**Subscription Period**”), within which the offer, if not accepted, will be deemed to have been declined, and may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which he is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.

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).

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.

- 9.8 Article 9.8 shall not apply to the allotment of New Securities if the Company has only one member, to that sole member.
- 9.9 Subject to articles 9.5 and 9.8 and the Act, any equity securities shall be at the disposal of the directors 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.
- 9.10 No Shares shall (unless the board resolves otherwise) be allotted to any employee, director, prospective employee or director who is resident in the United Kingdom unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 9.11 Subject to Investor Majority Consent, 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 pursuant to the terms of a written agreement in a form approved in writing by an Investor Majority. Those redeemable Shares shall be redeemed on the following terms and in the following manner:
- (a) a holder of a redeemable Share may by at least 30 days' notice to the Company at its registered office require the Company to redeem it and on service of such notice the Company shall redeem the Shares to which such notice relates on the expiry of that 30-day period (or, if that day is not a working day, the next working day);
  - (b) the Company may redeem a redeemable Share by giving to its holder at least 30 days' notice in writing stating its wish to redeem it and such redemption shall take place on the expiry of that 30-day period (or, if that day is not a working day, the next working day);

- (c) the sum payable to the holder on redemption of a redeemable Share shall be its par value plus any declared but unpaid dividend in respect of that Share (less any tax required to be withheld by law);
- (d) the sum payable to the holder on redemption of a redeemable Share shall be paid on redemption, or on such later date as the Company and the holder may agree; and
- (e) on redemption of a redeemable Share the holder shall deliver the certificate for it to the Company at its registered office (or such other place as the Company may notify the holders of redeemable Shares) for cancellation. If the certificate includes Shares not being redeemed then a new Share certificate for the balance of the redeemable Shares shall be issued to the holder. If a Shareholder, whose redeemable Shares are to be redeemed, does not deliver the certificate for them at the time and place fixed for redemption or does not accept payment of the amount due to him on redemption, then the Company shall hold the amount payable on redemption on trust for him.

9.12 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders. The directors may authorise some person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

9.13 The Company shall issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds. Every certificate shall specify:

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

Articles 24(1) and (2) of the Model Articles shall not apply.

9.14 A Shareholder exercising the right to be issued with a replacement certificate under article 25 of the Model Articles shall comply with such conditions as to evidence, indemnity and payment of a reasonable fee as the directors decide, including but not limited to the payment of the expenses reasonably incurred (if any) by the Company in investigating evidence as the directors may determine. Article 25(2)(c) of the Model Articles shall be modified accordingly.

9.15 The Company may pay any person a commission in consideration for that person:

- (a) subscribing, or agreeing to subscribe, for Shares; or
- (b) procuring, or agreeing to procure, subscriptions for Shares.

9.16 Any commission payable by the Company may be paid:

- (a) in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and

(b) in respect of a conditional or an absolute subscription.

- 9.17 Subject to Investor Majority Consent, the Act and these articles, 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.

## **10. Distributions**

- 10.1 Save as otherwise set forth in these Articles, any Available Profits which the Board may determine, with Investor Majority Consent, to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if the Equity Shares constituted one class of share) pro rata to their respective holdings of Equity Shares.

Subject to the Act and these articles, the directors may, provided Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.

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

On an IPO, if the Company has insufficient Available Profits for distribution to pay any Arrears, the Company shall, by way of special dividend and in lieu of the accrued dividends the Company is prohibited from paying, allot to each holder of Shares by way of capitalisation of reserves such number of Ordinary Shares (disregarding any fraction of a share) as shall have an aggregate Realisation Price equal to the unpaid dividend.

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.

- 10.2 Where a dividend or other cash sum which is a distribution is payable in respect of a Share, it shall be paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the distribution recipient (as defined in article 31(2) of the Model Articles) in writing;
- (b) sending of 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 such other address as specified by the distribution recipient in writing;
- (c) sending of a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- (d) any other means of payment as the directors agree with the distribution recipient in writing.

Article 31(1) of the Model Articles shall not apply.

- 10.3 A capitalised sum which was appropriated from profits available for distribution (which are not required for the Preference Dividend) may be applied:

- (a) in or towards paying up any sums unpaid on existing Shares held by the persons entitled; or

- (b) 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.

Article 36(4) of the Model Articles shall not apply.

10.4 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 in respect 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. The Company shall notify the distribution recipient in writing of:

- (a) the fact and sum of any such deduction;

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

- (c) how the money deducted has been applied.

10.5 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) to the holders of the Ordinary Shares in issue on a pro-rata basis according to the number of Ordinary Shares held by them, as if they constituted one class of Share immediately prior to the commencement of the winding up (in the case of a liquidation) or the return of capital (in any other case)

10.6 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 10.5 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 10.5; and

- (b) the Shareholders shall take any action required by an Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in article 10.5.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 10.5.

10.7 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 10.5 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 GFC or RICP (including, but without prejudice

to the generality of this article 10.7, actions that may be necessary to put the Company into voluntary liquidation) so that article 10.5 applies.

- 10.8 In the event of an Exit Event approved by the Board and the holders of 60 per cent of the Equity Shares (with Investor Majority Consent) in accordance with the terms of these Articles (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this article 10.8, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders. Notwithstanding and without limiting the foregoing, article 21.5 shall apply to a Proposed Exit mutatis mutandis.

## 11. **Company's Lien**

- 11.1 The Company has a lien (the "**Company's Lien**") over every Share which is nil paid or partly paid for any part of:

- (a) that Share's nominal value; and
- (b) any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it.

- 11.2 The Company's Lien over a Share:

- (a) shall take priority over any third party's interest in that Share; and
- (b) shall extend 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.

- 11.3 Subject to the provisions of this article 11, if:

- (a) a notice complying with article 11.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

then the Company shall be entitled to sell that Share in such manner as the directors decide.

- 11.4 A Lien Enforcement Notice:

- (a) 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;
- (b) must specify the Share concerned;

- (c) must require payment of the sum payable within 14 days of the notice;
- (d) 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
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

11.5 Where any Share is sold pursuant to this article 11:

- (a) 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
- (b) 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.

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

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
- (b) 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 in a form reasonably satisfactory to the directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable over the Share before the sale for any money payable in respect of the Share after the date of the Lien Enforcement Notice.

11.7 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 the articles or by law, shall constitute a good title to the Share.

## 12. Call Notices

12.1 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 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.

12.2 A Call Notice:

- (a) 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);
- (b) shall state when and how any call to which it relates it is to be paid; and
- (c) may permit or require the call to be paid by instalments.

- 12.3 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.
- 12.4 Before the Company has received any call due under a Call Notice the directors may:
- (a) revoke it wholly or in part; or
  - (b) 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.
- 12.5 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.
- 12.6 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:
- (a) pay calls which are not the same; or
  - (b) pay calls at different times.
- 12.7 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):
- (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- 12.8 If the due date for payment of such a sum as referred to in article 13.7 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.
- 12.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the directors may issue a notice of intended forfeiture to that person; and
  - (b) 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).
- 12.10 For the purposes of article 12.9:
- (a) 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; and
  - (b) 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.

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

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

### **13. Forfeiture of Shares**

13.1 A notice of intended forfeiture:

- (a) may be sent in respect of any Share 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.

13.2 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.

13.3 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.

13.4 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.

13.5 If a person's Shares have been forfeited then:

- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;

- (b) that person shall cease to be a Shareholder in respect of those Shares;
  - (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
  - (d) 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
  - (e) 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.
- 13.6 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.
- 13.7 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.
- 13.8 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.
- 13.9 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.
- 13.10 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:
- (a) was, or would have become, payable; and
  - (b) 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.

#### **14. Surrender of Shares**

- 14.1 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.

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

14.3 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.

## **15. Secretary**

The directors shall be entitled (but not required) to 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.

## **16. Communications**

16.1 Subject to 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 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 17.

16.2 Any notice, document or other information given or supplied under the Act or the articles shall be deemed to have been serviced and be effective:

(a) if properly addressed and delivered by hand (whether in hard copy form or electronic form), at the time of delivery at the appropriate address;

(b) if properly addressed to an address in the United Kingdom and posted by prepaid United Kingdom first class post (whether in hard copy form or electronic form), on receipt or 48 hours after the time it was posted, whichever occurs first;

(c) if properly addressed and sent (either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom) by reputable international courier addressed to the intended recipient, provided that delivery within at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider), five business days after posting or, if earlier, the date of delivery as confirmed by the courier service provider;

(d) if sent by facsimile or email (to a fax number or an email address notified by the intended recipient for that purpose), on receipt or 24 hours after the time it was sent, whichever occurs first; and

(e) if sent by any other Electronic Means, at the time such delivery is deemed to occur under the Act.

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

16.4 Where the Company is able to show that any notice, document or other information given or supplied under the Act or the articles by Electronic Means was properly addressed with the

electronic address supplied by the intended recipient, the giving or supply of that notice, document or other information 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.

- 16.5 In the case of joint holders of a Share all notices, documents or other information shall be given or supplied 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 and any other documents or information so supplied shall be deemed to have been given to all the joint holders.
- 16.6 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).
- 16.7 A document or information sent or supplied to the Company by one person on behalf of another must be accompanied by written evidence of the authority (being the original, a duly certified copy of the grant of authority or such other evidence as the directors deem appropriate) of that person to act on behalf of the other.

## **17. Indemnity and insurance**

17.1 Subject to article 17.2:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against:
- (i) any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - (ii) any liability incurred by that person in connection with the activities of the Company or an associated company in its capacity as a trustee of an Occupational Pension Scheme; and
  - (iii) any other liability incurred by that person as an officer of the Company or an associated company; and
- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with defending any civil or criminal proceedings or any application relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 17.2 This article 17 does not authorise or provide any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 17.3 The directors shall be entitled to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' Share scheme of the Company or Associated Company.
- 17.4 In this article 17, companies are "**associated**" if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

17.5 Articles 52 and 53 of the Model Articles shall not apply.

## **18. Transfer of Shares**

### **18.1 General**

18.1.1 No person shall transfer any Share except for:

- (a) a Permitted Transfer made in accordance with Article 18.2;
- (b) a right of first refusal transfer made in accordance with Article 18.3;
- (c) a Compulsory Transfer which is required to be made in accordance with Article 18.4;
- (d) a Tag Along transfer under Article 19;
- (e) a co-sale transfer under Article 20; or
- (f) a Drag Along transfer under Article 21.

18.1.2 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles, such act shall be void and have no legal effect nor confer any legal or beneficial rights on the purported beneficiary or recipient, and that Shareholder will be deemed immediately to have served a Transfer Notice in respect of all Shares held by it.

18.1.3 Unless otherwise approved by the Investor Majority or the proposed transferee is already a Shareholder, the Board shall, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company, in a form that the Board may reasonably require, a deed agreeing to be bound by the terms of any Shareholders' agreement or similar document in force between some or all of the Shareholders and the Company (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document), and if any such condition is imposed the transfer may not be registered unless the deed has been executed and delivered by the transferee.

18.1.4 The Board may refuse to register a transfer if:

- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
- (b) 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;
- (c) it is a transfer of a Share which is not fully paid:
  - (i) to a person of whom the directors do not approve; or
  - (ii) on which Share the Company has a lien;
- (d) the transfer is not lodged at the registered office or at such other place as the directors may appoint;
- (e) 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;

(f) the transfer is in respect of more than one class of Shares (other than with respect to a transfer by an Investor to a Permitted Transferee);

(g) the transfer is in favour of more than four transferees (other than with respect to a transfer by an Investor to a Permitted Transferee); or

(h) 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. Except as set forth above, the Board shall not refuse to register a transfer made in accordance with these articles.

18.1.5 Where reference is made in these Articles to a Shareholder giving or being deemed to have given a Transfer Notice in respect of its Shares, such reference shall be construed as relating to all Shares held by that Shareholder together with all Shares held by its nominees and, other than with respect to an Investor, its Permitted Transferees, and that Shareholder shall procure that each of its nominees and, if applicable, Permitted Transferees takes such action and executes such notices and documents as may be required to give full effect to the provisions of these Articles.

18.1.6 Except with Investor Director Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

18.1.7 Until an Exit Event (which is not triggered by the transfer of any Shares held by a Founder or any of their Permitted Transferees), none of the Founders nor any of their Permitted Transferees shall transfer any Shares without the prior written consent of the Investor Majority; provided, however, that a Founder shall be permitted to transfer any of his Shares to a Permitted Transferee in accordance with article 18.2 so long as such Founder retains sole voting and dispositive control over such Shares.

18.1.8 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 these articles, will be treated as having specified that:

(a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, 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 Sale Shares;

(b) it does not include a Minimum Transfer Condition; and

(c) the Seller wishes to transfer all of the Shares held by it.

18.1.9 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.

18.1.10 A transfer of any Shares approved by the Board and the Investor Majority 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.

18.1.11 In articles 18 to 21 (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 Lien over that Share and reference to a share includes a beneficial or other interest in a Share.

## 18.2 Permitted Transfers

18.2.1 A “**Permitted Transfer**” shall mean a transfer of a Share by a Shareholder (the “**Original Shareholder**”) to a transferee (“**Permitted Transferee**”) made fully in accordance with the provisions of this Article 18.2.

18.2.2 Other than as set forth in article 18.1, a Shareholder shall be entitled to make a Permitted Transfer without restriction as to price or otherwise. For the avoidance of doubt, a transfer of Shares to a Permitted Transferee in accordance with these articles shall not have to the rights of first refusal in article 18.3, the tag along rights in article 19 or the co-sale rights in article 20.

18.2.3 Each of the following shall be a Permitted Transferee for the transfer of Equity Shares:

- (i) in the case of an Original Shareholder who is an individual a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate children and their issue) of that Original Shareholder;
- (ii) the Trustees of a Family Trust of that Original Shareholder and, on a change of trustees, the new trustees of the same Family Trust but subject to paragraph 18.2.4 below;
- (iii) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group;
- (iv) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group; and
- (v) in relation to an Investor:
  - (i) to any Member of the same Group;
  - (ii) to any Member of the same Fund Group; or
  - (iii) to any nominee of that Investor.

18.2.4 No transfer of Shares shall be made to the Trustees of a Family Trust save where the directors (acting reasonably) are satisfied as to:

- (i) the terms of the trust instrument relating to that Family Trust and in particular the powers of the trustees pursuant to that instrument; and
- (ii) the identity of the proposed trustees.

18.2.5 If a transferee is a Permitted Transferee by virtue of being a spouse or civil partner of the Original Shareholder and subsequently ceases to be a spouse or civil partner of the Original Shareholder (whether by reason of divorce or otherwise) such transferee must, within 10 Business Days of so ceasing either:

- (a) execute and deliver to the Company a transfer of the relevant Shares to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- (b) give a Transfer Notice to the Company in accordance with Article 18.2.7 in respect of such Shares,

failing which such transferee shall be deemed to have given a Transfer Notice in respect of such Shares.

18.2.6 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 personal representatives of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case such transfer being without restriction as to price or otherwise. Shares previously transferred as permitted by this paragraph 18.2.6 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

18.2.7 On the death (subject to paragraph 18.2.6 above), 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 5 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 (as the case may be) execute and deliver to the Company a transfer of the Ordinary Shares held by the Permitted Transferee, such transfer being 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 5 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator will be deemed to have given a Transfer Notice in respect of such Shares.

### 18.3 Transfers subject to right of first refusal

18.3.1 Save where the provisions of Articles 18.2, 20 and 21 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 18.3. A Shareholder who wishes to transfer Shares (a **"Proposed Seller"**) shall before transferring or agreeing to transfer any Shares give notice in writing (a **"Transfer Notice"**) to the Company specifying:

- (a) the number of Shares which the Proposed Seller wishes to transfer (the **"Sale Shares"**);
- (b) if the Proposed Seller wishes to transfer the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price (in cash) at which the Proposed Seller wishes to transfer the Sale Shares, which will be deemed to be the Fair Value of the Sale Shares if no cash price is agreed between the Proposed Seller and the Board with Investor Director Consent (the **"Transfer Price"**).

18.3.2 Except as otherwise provided in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

18.3.3 A Transfer Notice constitutes the Company the agent of the Proposed Seller for the sale of the Sale Shares at the Transfer Price.

18.3.4 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price,

the Board shall offer the Sale Shares for sale to the Shareholders (other than the Proposed Seller) in the manner set out in paragraphs 18.3.5 to 18.3.10 (inclusive) below. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

*Transfers: Offer*

18.3.6 The Board shall first offer the Sale Shares pursuant to the Priority Rights to the Shareholders (other than the Proposed 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.

18.3.7 If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or more than the number of remaining 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 its 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 applying for Sale Shares, but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy.

18.3.8 If, at the end of the Offer Period, the number of remaining Sale Shares applied for exceeds the number of Sale Shares applied for by the Continuing Shareholders the Board shall allocate the any surplus Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the “**Surplus Shares**”) may be offered to any other person in accordance with Article 18.3.11 below.

*Completion of transfer of Sale Shares*

18.3.9 If allocations have been made in respect of all the Sale Shares, the Board shall give written notice of allocation (an “**Allocation Notice**”) to the Proposed Seller and each Shareholder to which 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.

18.3.10 Upon service of an Allocation Notice, the Proposed Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in such notice.

18.3.11 If an Allocation Notice does not relate to all the Sale Shares then the Seller may, within 12 weeks after service of the Allocation Notice, transfer any surplus Sale Shares to any person at a price at least equal to the Transfer Price.

18.3.12 The right of the Seller to transfer Shares under article 18.4.11 does not apply if the Board is of the opinion on reasonable grounds that:

- (a) the transferee is a person (or a nominee for a person) who the Board (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;
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to 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.

18.3.13 Any Sale Shares offered under this article 18 to an Investor may also be accepted in full or part 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 articles 18.3.6 and 18.3.7. For the avoidance of doubt, no Founder shall be permitted to assign or syndicate any of its rights under this Article 16 to any third party or to any other individual.

#### **18.4 Compulsory transfers**

18.4.1 A person entitled to any Shares in consequence of the bankruptcy of a Shareholder (arising as a result of either a bankruptcy order being made against the Shareholder concerned or an arrangement or composition being made with creditors or such Shareholder taking the benefit of any statutory provision for the time being in force for the relief of insolvent debtors or that Shareholder suffering anything similar or analogous in any jurisdiction in consequence of debt) shall be deemed to have given a Transfer Notice in respect of those Shares at a time determined by the Board.

18.4.2 If any Shares remain registered in the name of a deceased Shareholder for longer than six months after the date of his death the Board may require the legal personal representatives of that deceased Shareholder either:

- (a) to effect a Permitted Transfer of those Shares under Article 18 (including for that purpose to make an election to be registered as the holder); or
- (b) to show to the satisfaction of the Board that such a Permitted Transfer will be effected before or promptly on the completion of the administration of the estate of the deceased Shareholder,

and if either of these requirements are not fulfilled when required, a Transfer Notice shall be deemed to have been given in respect of those Shares at a time determined by the Board, except to the extent that the Board determines otherwise.

18.4.3 If a Shareholder which is a company is subject to an insolvency event (meaning being placed into voluntary liquidation (other than for the purpose of a reorganisation); or any order being made for the compulsory liquidation of a Shareholder or a Shareholder having an administrator, receiver or liquidator appointed over the whole or any material part of its assets or undertaking or the Shareholder suffering anything similar or analogous in any jurisdiction in consequence of debt), that Shareholder shall be deemed to have given a Transfer Notice in respect of all of the Shares held by it at a time determined by the Board, except to the extent that the Board determines otherwise.

- 18.4.4 If an application is made to the Court for the transfer of Shares to a spouse of a Shareholder as part of proceedings for divorce then the relevant Shareholder shall be deemed at the discretion of the Board to have given a Transfer Notice in respect of all of the Shares held by it at a time determined by the Board.
- 18.4.5 If a Shareholder (other than an Investor) becomes of unsound mind, he or she shall be deemed to have served a Transfer Notice in respect of all Shares held.
- 18.4.6 Unless the Board with Investor Director Consent determines that this article 18.4.6 shall not apply, if at any time a Founder ceases to be an Employee, the relevant Founder shall be deemed to have given a Transfer Notice on the Effective Termination Date in respect of such number of Employee Shares as is calculated by reference to Article 18.4.7 and the Transfer Price shall be the lower of the nominal value of such Shares or the price paid for them.

## 18.5 Valuation of Shares

- 18.5.1 If a Transfer Notice does not specify a Transfer Price, or if the Proposed Seller and the Board (with Investor Director Consent) are unable to agree the appropriate price under article 18.3.1, or if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice (or, in the case of the deemed service of a Transfer Notice, on or as soon as practicable after the date on which the Board first has actual knowledge of the facts giving rise to such deemed service) the Board shall appoint an expert valuer (the "**Expert Valuer**") in accordance with this article to certify the Fair Value of the relevant Sale Shares, save that if the Fair Value of any Sale Share has been determined by the relevant Expert Valuer in accordance with this article 18.5 not more than 12 weeks previously, the Board may elect instead that the Fair Value in respect of the Sale Shares shall be the Fair Value per Share as so previously determined multiplied by the number of Sale Shares.
- 18.5.2 The Expert Valuer will be a firm of accountants, that is not directly or indirectly associated with any party to the sale transaction and that has no interest (other than the receipt of customary fees and expenses) in any of the transactions contemplated thereby.
- 18.5.3 The identity of the Expert Valuer shall be as agreed between the Board and the Proposed Seller, or failing such agreement not later than the date 10 Business Days after the date of service of the Transfer Notice shall be as nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party. The Expert Valuer shall confirm their appointment within 10 Business Days of the determination of their identity pursuant to this article, failing which the then President of the Institute of Chartered Accountants in England and Wales shall nominate another Expert Valuer upon receipt of an application to do so by either party.
- 18.5.4 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 a sale between a willing seller and a willing buyer contracting at arm's length;
  - (b) on the assumption that the Sale Shares are capable of being transferred without restriction;
  - (c) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued Share capital of the Company which they represent

and without taking into account the fact that the Sale Shares may constitute either a minority or majority holding, but taking into account the rights attaching to the Sale Shares;

- (d) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so; and
- (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.

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.

- 18.5.5 The Expert Valuer shall be instructed to determine the Fair Value of the Sale Shares and to notify the Board of their written determination within 20 Business Days of their appointment. As soon as the Board receives the determination of the Fair Value, it shall deliver a copy of such determination to the Proposed Seller. Unless the Sale Shares are to be sold under a Transfer Notice which is deemed to have been served, the Proposed Seller may by notice in writing to the Company within 5 Business Days of the service on it of the copy determination, cancel the Company's authority to sell the Sale Shares.
- 18.5.6 The cost of obtaining the written determination of the Fair Value shall be paid by the Company, unless the Proposed Seller cancels the Company's authority to sell in which case the Proposed Seller shall bear the cost.
- 18.5.7 The Expert Valuer shall act as an expert and not as arbitrator and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 18.5.8 The Board shall supply and make available to the Expert Valuer access to all accounting records or other relevant documents of the Company (including access to the working papers of the Accountants) subject to the Expert Valuer agreeing such confidentiality provisions as the Board may reasonably impose.
- 18.5.9 The Proposed Seller may make written representations to the Expert Valuer on such matters as it thinks appropriate at its absolute discretion in respect of the determination of the Fair Value.
- 18.5.10 If the Expert Valuer becomes unwilling to act or is incapable of acting, or does not deliver the written determination within the time required in paragraph 18.5.5 above then the Board shall be entitled to discharge the Expert Valuer and to appoint with the agreement of the Proposed Seller (or by way of the nomination of the President of the Institute of Chartered Accountants in England and Wales) a replacement Expert Valuer with the required qualifications, and this article 18.5 shall apply in relation to the new Expert Valuer as if they were the first valuer appointed.

## **18.6 Completion of transfers of Shares**

- 18.6.1 The provisions of this article 18.6 shall apply to any transfer of Sale Shares by a Shareholder pursuant to articles 18.3, 18.4, 19, 20 and 21.
- 18.6.2 Where the transfer is made by one Shareholder to another (or by or to their respective Permitted Transferees), such transfer will be deemed to include a warranty that the transferor sells the Sale Shares with full title guarantee and free from encumbrances.

18.6.3 Not later than 3 Business Days prior to the completion of any Transfer, the transferor shall:

- (a) deliver to the transferee for surrender to the Company the original Share certificate(s) relating to the Sale Shares (or an indemnity, in a form satisfactory to the Board, in respect of any lost certificate); and
- (b) deliver to the transferee a duly executed transfer form relating to the Sale Shares.

18.6.4 If the transferor fails to comply with the provisions of paragraph 18.6.3 above:

- (a) any director, or any other person nominated by the Board, may on behalf of the transferor:
- (b) complete, execute and deliver in the transferor's name all documents necessary to give effect to the transfer of the Sale Shares;
- (c) receive the purchase price to be paid to the transferor by the transferee for the Sale Shares and give a good discharge for it; and
- (d) (subject to the transfer being duly stamped) procure the entering of the transferee in the Company's register of members as the holder of the Sale Shares; and
- (e) the Company shall pay the purchase price received from the transferee into a separate bank account in the Company's name on trust (but without interest) for the transferor until the transferor has complied with all of its obligations under paragraph (c) above.

## 19. Tag-along

- 19.1 After the pre-emption provisions set out in article 18.3 have been complied with, the provisions of article 19.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Shareholder (other than an Investor) (and associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 19.2 The Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to any holder of Equity Shares who have not taken up their pre-emptive rights under article 9 to acquire all of the Equity Shares then in issue for a consideration per Equity Share the value of which is at least equal to the Specified Price (as defined in article 19.7).
- 19.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Tag-Along 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 Equity Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 19.4 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.

19.5 If the Offer is accepted by any holder of Equity Shares (an "**Accepting Shareholder**") within the Tag-Along 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.

19.6 The Proposed Transfer is subject to the right of first refusal provisions of article 18.3 but the purchase of the Accepting Shareholders' Equity Shares shall not be subject to article 18.3 or article 20.

19.7 For the purpose of this article:

(a) the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment respectively;

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

(i) in the Proposed Transfer; or

(ii) 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 19.7(c), of any other consideration (in cash or otherwise) 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 article 10.

(c)  $\text{Relevant Sum} = C \div A$

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

C = the Supplemental Consideration.

## 20. Co-Sale right

20.1 No transfer (other than a Permitted Transfer under article 18.2) of any Shares held by a Shareholder may be made or validly registered without Investor Majority Consent unless the relevant Shareholder (a **Selling Shareholder**) shall have observed the following procedures of this Article.

20.2 After the relevant Selling Shareholder has gone through the right of first refusal process set out in Article 18.3, the relevant Selling Shareholder shall give to the other Shareholders who have not taken up their right of first refusal rights under article 18.3 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 **Co-Sale Buyer**);

(b) the price per share which the Co-Sale Buyer is proposing to pay;

(c) the manner in which the consideration is to be paid;

(d) the number of Shares which the Selling Shareholder proposes to sell; and

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

For the purposes of this article 20, 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 Shareholder 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 article 10.5.

- 20.3 The relevant Shareholders shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Shareholder that they wish to sell a certain number of Equity Shares held by it at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which the Selling Shareholder wishes to sell. The maximum number of shares which an Selling Shareholder can sell under this procedure shall be:

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

where:

- X is the number of Shares the Selling Shareholder proposes to sell;  
Y is the total number of Shares held by the Selling Shareholder; and  
Z is the number of Shares held by the relevant Shareholder.

If the relevant Shareholder does not send a counter-notice within such five Business Day period it shall be deemed to have specified that it wishes to sell no shares.

- 20.4 Following the expiry of five Business Days from the date the relevant Shareholder receives the Co-Sale Notice, the relevant Selling Shareholder shall be entitled to sell to the Co-Sale Buyer on the terms notified to the relevant Shareholder a number of shares not exceeding the number specified in the Co-Sale Notice, provided that at the same time the Co-Sale Buyer (or another person) purchases from the Shareholder the number of shares they have indicated they wished to sell on terms no less favourable than those obtained by the Selling Shareholder from the Co-Sale Buyer.
- 20.5 No sale by the Selling Shareholder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 20.6 Sales made in accordance with this article 20 shall not be subject to article 18.3 (transfers of Shares subject to rights of first refusal rights).

## 21. Drag-along

- 21.1 If the holders of at least 60% of the Equity Shares (the "**Selling Shareholders**") wish to transfer all their interest in their 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 to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this article.
- 21.2 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:
- (a) the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this article;
  - (b) the person to whom they are to be transferred;
  - (c) the consideration for which the Called Shares are to be transferred (calculated in accordance with this article);
  - (d) the proposed date of transfer; and

- (e) 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**") (and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice).
- 21.3 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 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.
- 21.4 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 Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of articles 10.5, 10.6 and 10.7 (the "**Drag Consideration**").
- 21.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, no Investor shall be bound by the Drag-Along Notice unless:
  - (a) any representations and warranties to be made by such Investor in connection therewith are limited to authority, ownership and the ability to convey title;
  - (b) such Investor shall not be liable for the inaccuracy of any representation or warranty made by any other person, other than the Company (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);
  - (c) the liability of such Investor 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 Investor in connection with such proposed transaction;
  - (d) liability is limited to such Investor's applicable share (determined based on the respective proceeds payable to each Shareholder in connection with such proposed transaction) of a negotiated aggregate indemnification amount that applies equally to all Shareholders but that in no event exceeds the amount of consideration otherwise received by such Investor in connection with such proposed transaction, except with respect to claims related to fraud by such Investor, the liability for which need not be limited as to such Investor;
  - (e) upon the consummation of the proposed transaction, each holder of each class of the Company's shares will receive the same form of consideration for its shares of such class as is received by other holders in respect of their shares of such same class of shares as contemplated by articles 10.5, 10.6 and 10.7;
  - (f) other than an Investor that is an Employee, such Investor and its Affiliates shall not be required to give any release of claims other than a release that is limited to its role as a shareholder, other security holder or employee of the Company; and

- (g) other than an Investor that is an Employee, such Investor and its Affiliates shall not be subject to any non-competition, non-investment, non-solicitation or other similar provisions.

No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this article 21.

21.6 Within five Business Days of the Proposed Purchaser serving a Drag Along Notice on the Called Shareholders (the "**Drag Completion Date**"), the Called Shareholders shall deliver:

- (a) duly executed stock transfer forms for their Shares in favour of the Drag Purchaser;
- (b) the relevant Share certificate(s) (or a suitable indemnity in lieu thereof) to the Company; and
- (c) 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**").

On the Drag Completion Date, the Company shall pay the Called Shareholders, on behalf of the Drag Purchaser, the amounts they are due pursuant to article 21.4 to the extent the Drag Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to article 21.4 shall be a good discharge to the Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to article 21.4 in trust for the Called Shareholders without any obligation to pay interest.

- 21.7 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration due pursuant to article 21.4, 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 21 in respect of their Shares.
- 21.8 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 21 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 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 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 Drag Consideration due to him pursuant to article 21.4.
- 21.9 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 right of first refusal provisions of article 18.3.
- 21.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company 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.

- 21.11 In the event that an Asset Sale is approved by the Board and the holders of 60 per cent of the Equity Shares (with Investor Majority Consent), 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 10.5, 10.6 and 10.7 and this article 21.

## **22. Variation of rights**

- 22.1 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.
- 22.2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of those existing classes of Shares.

## **23. Voting Rights of Employee Shares**

- 23.1 Unless the Board with Investor Majority Consent determines that this article 23.1 shall not apply, if at any time an Employee (other than a Founder) ceases to be an Employee for any reason, all voting rights attached to Employee Shares held by such 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.
- 23.2 Any Employee Shares whose voting rights are suspended pursuant to article 23.1 ("**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 23.1 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.

## **24. Lock-up Agreement / Market Stand-Off**

- 24.1 In connection with any IPO and upon request of the Company or the underwriters managing such IPO, no Shareholder shall sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any Shares, however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days but subject to such extension or extensions as may be required by the underwriters in order to publish research reports while complying with the applicable rules of the relevant securities exchange) from the effective date of such registration statement as may be requested by the Company or such managing underwriters and such Shareholder shall execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the IPO.
- 24.2 The obligations described in article 24.1 shall apply only if (a) all officers and directors of the Company and all greater than one per cent. Shareholders enter into similar agreements, and (b) such agreements shall provide that any discretionary waiver or termination of the

restrictions of such agreements by the Company or the representatives of the underwriters shall apply to each Shareholder pro rata based on the number of Shares subject to such agreements. In no event shall the obligations described in article 24.1 apply to a registration relating solely to employee benefit plans, or to a registration relating solely to a transaction pursuant to Rule 145 under the U.S. Securities Act of 1933, as amended. The underwriters in connection with the IPO are intended third-party beneficiaries of the covenants and agreements set forth in this article 26 and shall have the right, power and authority to enforce the provisions hereof. Further, each Shareholder shall, upon reasonable request by the underwriters, enter into a written agreement with such underwriters containing terms substantially equivalent to the terms of this article 26, and such underwriters shall be entitled to reasonably require each such Shareholder to enter into such a written agreement.

- 24.3 In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of any and all Shareholders.