

**THE COMPANIES ACT 2006**  
**A PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**(adopted by special resolution on 22 March 2023)**  
**-of-**  
**Pharos Homes Ltd (14149261)**

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**RW BLEARS LLP**  
125 Old Broad Street  
London EC2N 1AR  
[www.blears.com](http://www.blears.com)

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1. **APPLICATION OF MODEL ARTICLES AND DEFINITIONS**

1.1 The model articles of association for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulation 2008 (SI 2008/3229) as amended at the date of adoption of these articles (the “**Model Articles**”) shall apply to the Company save in so far as they are excluded or modified by these Articles.

1.2 In these Articles the following words and expressions shall have the following meanings unless the context otherwise requires:

**Act** the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force;

**Adoption Date** the date of the adoption of these Articles by the Company;

**Auditors** the auditors of the Company or the duly appointed reporting accountants of the Company from time to time or, if the appointed auditors or reporting accountants are unable or unwilling to act in connection with the reference in question, or are not appointed with Investor Consent, a chartered accountant nominated by the Directors and, in either case, engaged on such terms as the Directors acting as agent for the Company and each relevant Member shall, in their absolute discretion, see fit;

**Board** the board of Directors from time to time;

**Business Day** a day other than a Saturday or Sunday or public holiday in England;

**Company** the company whose name and company number are set out on the front page of these Articles;

**Compulsory Transfer Event** an event as described in Article 9.1;

**Compulsory Transfer Notice** a written notice as described in Article 9.1;

**Connected** as defined by Section 1122 of the Corporation Tax Act 2010, provided however that any determination of facts as to whether two or more persons acting together shall, in the absence of any ruling by HM Revenue and Customs, be made by the tax advisers appointed by the Directors acting as experts and not as arbitrators and whose decision from time to time shall be final and binding on the Company and Shareholders;

**DIMA** Discretionary investment management agreement entered into by the Nominee Company, the Investors and Jenson by which Jenson is appointed as the Investors’ investment manager;

**Director** a duly appointed director of the Company from time to time and “**Directors**” shall be construed accordingly;

**Eligible Director** a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to eligible directors in Article 8 of the Model Articles shall be construed accordingly;

**EIS Legislation** the Enterprise Investment Scheme as contained in part 5 of the Income Tax Act 2007 (as amended);

<b>Employee Trust</b>	any trust established to enable or facilitate the holding of Shares whose beneficiaries are bona fide employees of the Company;
<b>Family Trust</b>	in relation to a Shareholder who is an individual, a trust or settlement set up wholly for the benefit of that person and/or their Privileged Relations;
<b>Founder</b>	each of Nicolas Prakash Singh Jie, Vincent Huber together (the “Founders”);
<b>Group</b>	means the Company and its subsidiary undertakings from time to time and any holding company of the Company;
<b>Investor</b>	any holder of shares other than: <ul style="list-style-type: none"> <li>a) a current or departed employee of the Company;</li> <li>b) a Shareholder whose allotment was in exchange for services provided to the Company;</li> <li>c) a Shareholder whose allotment was as a result of a permitted transfer by reason of being a Privileged Relation, Trustee or Qualifying Company</li> <li>d) the Founders of the Company;</li> </ul>
<b>Investor Director</b>	the Director appointed in accordance with Article 18;
<b>Investor Consent</b>	the consent in writing of the Investor Majority and of Jenson should the Nominee Company not form part of the Investor Majority;
<b>Investor Majority</b>	50% of the Investors;
<b>Investment Agreement</b>	the agreement entered into by inter alia Jenson, the Company and the directors of the Company pursuant to which an investment has been made or will be made in the Company by (i) the Jenson EIS Fund through the Nominee Company as directed by Jenson, (ii) the Jenson SEIS Fund through the Nominee Company as directed by Jenson and (iii) if applicable, other additional investors and pursuant to which these articles have been adopted;
<b>Jenson</b>	Jenson Funding Partners LLP, a limited liability partnership registered in England and Wales with registered number OC375306 whose registered office is at Runway East, St Thomas Street, London, SE1 9RS;
<b>Jenson Investor</b>	the investors who wish to make investments in a portfolio of SEIS and / or EIS qualifying companies who severally appoint Jenson to act as their investment manager and to manage investments on their behalf pursuant to a DIMA;
<b>Jenson EIS Fund</b>	the aggregated DIMAs under which investors who wish to make investments in a portfolio of EIS qualifying companies appoint Jenson to act as their investment manager and to manage the investments made on their behalf in common pursuant to the investment policy and objectives set out in an information memorandum;
<b>Jenson SEIS Fund</b>	the aggregated DIMAs under which investors who wish to make investments in a portfolio of SEIS qualifying companies appoint Jenson to act as their investment manager and to manage the investments made on their behalf in common pursuant to the investment policy and objectives set out in an information memorandum;
<b>Nominee Company</b>	TT Nominees Limited, a private company registered in England and Wales with registered number 07822475 and whose registered office is 47 Park Lane, Mayfair, London W1K 1PR for so long as it is acting as the nominee of the Investors in accordance with its appointment under the DIMAs and should it cease to be appointed as their nominee, any new nominee so appointed in accordance with the DIMAs;

<b>Options</b>	share options to be granted to the Company's employees, Directors or consultants from time to time under an option scheme approved by the Board (with Investor Consent);
<b>Permitted Transfer</b>	a transfer of Shares made in accordance with Article 7;
<b>Permitted Transferee</b>	in relation to: (a) a Shareholder who is an individual, any of their Privileged Relations or the trustee(s) of a Family Trust; and  (b) a Shareholder who holds Shares as a nominee, any company appointed as the nominee of the Investors in accordance with the DIMAs;
<b>Prescribed Price</b>	the price per Sale Share determined pursuant to Articles 8.4 and 8.5;
<b>Privileged Relation</b>	in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue);
<b>Proposing Transferor</b>	as defined in Article 8.2;
<b>Purchaser</b>	the Shareholder to whom Sale Shares have been offered in accordance with Articles 8.8 and 8.9 and who have accepted that offer and " <b>Purchaser</b> " shall be construed accordingly;
<b>Relevant Securities</b>	any Shares, or any right to subscribe for or convert any securities into any Shares or any Options;
<b>Sale Shares</b>	all Shares comprised in a Transfer Notice;
<b>SEIS Legislation</b>	the Seed Enterprise Investment Scheme as contained in part 5A of the Income Tax Act 2007 (as amended);
<b>Shares</b>	the ordinary shares in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;
<b>Shareholder</b>	a registered holder of an issued Share from time to time, as recorded in the register of Shareholders of the Company;
<b>Third Party Purchaser</b>	any person (or persons acting in concert) who is not a Shareholder or is not connected with a Shareholder;
<b>Transfer Notice</b>	a written notice served by a Member on the Company in accordance with Article 8.

1.3 In these Articles a reference to:

- (a) a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the date of these Articles and any subordinate legislation made under the statutory provision before or after the date of these Articles;
- (b) a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists); and

(c) **“Articles”** is to these articles of association (including the provisions of the Model Articles incorporated herein), and a reference to an **“Article”** is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act.

1.4 The contents table and headings in these Articles are for convenience only and do not affect their interpretation.

## 2. **COMPANY CONSTITUTION**

2.1 The name of the Company and its company number are set out on the front page of these Articles.

2.2 (a) The objects of the Company are to promote the success of the name of the Company;

(i) for the benefit of its members as a whole; and

(ii) through its business and operations, to have a material positive impact on (a) society and (b) the environment, taken as a whole.

(b) A Director must act in the way he or she considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in paragraph 2.2 (a) above, and in doing so shall have regard (amongst other matters) to:

(i) the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,

(ii) the interests of the Company's employees,

(iii) the need to foster the Company's business relationships with suppliers, customers and others,

(iv) the impact of the Company's operations on the community and the environment and on affected stakeholders,

(v) the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and

(vi) the need to act fairly as between members of the Company,

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

(c) For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.

(d) Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).

(e) The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole

2.3 The registered office of the Company is to be in England and Wales.

2.4 The liability of Shareholders is limited.

### 3. **SHARE CAPITAL – DISTRIBUTIONS, RETURN OF CAPITAL AND VOTING**

3.1 Subject to obtaining Investor Consent, the Company shall apply any profits which the Directors resolve to distribute in any financial year to the holders of the Shares pro rata according to the number of Shares held by them.

3.2 On a return of assets on a liquidation or capital reduction or similar, the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares pro rata according to the number of Shares held by them respectively.

3.3 Subject to Article 3.4, in relation to voting at general meetings of the Company:

- (a) on a show of hands every holder of Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote; and
- (b) on a poll every holder of Shares who is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every Share of which they are the holder.

3.4 Notwithstanding the foregoing and the provisions of Article 3.3, no body corporate who is a holder of Shares (together with any Connected person) other than the Nominee Company shall be entitled to exercise more than 50% of the voting rights attaching to the equity share capital of the Company.

### 4. **ISSUE OF NEW SHARES**

4.1 In these Articles, unless the context requires otherwise, references to Shares shall include shares of those respective classes created and/or issued after the date of adoption of these Articles.

4.2 Subject to Investor Consent being obtained (other than where the Relevant Securities are being allotted pursuant to the Investment Agreement), the Directors may for the purposes of section 551 of the Act exercise any power of the Company to allot Relevant Securities. The authority granted under this Article 4.3 shall:

- (a) only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the Shareholders; and
- (b) expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period.

4.3 Subject to Article 4.4, any new Shares from time to time created shall before they are issued to any third party be offered to the holders of Shares in proportion to the number of Shares held by them and for the purposes of this Article 4.3 if there is more than one class of Share in issue all Shares shall be treated as if they constituted one class of share. In addition, should any Shareholder choose not to subscribe its full pro rata share, the remaining shareholders shall have the right to subscribe the remaining pro rata shares.

4.4 The provisions of Article 4.3 shall not apply to the exercise of Options, or pursuant to the Investment Agreement and may in any event be disapplied in relation to any class of shares by special resolution.

4.5 The offer to Shareholders referred to in Article 4.3 shall be made by notice in writing specifying the number and class (if relevant) of Shares offered and the price per Share (which shall be the same price per Share) and stating a time (not being less than fifteen days or greater than thirty days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, or on the receipt of an indication from the person to whom the offer is made that they decline to accept the Shares offered or any of them, the Directors shall offer the Shares declined in like manner to the Shareholders who have agreed to subscribe for all the Shares offered to them. If the Shares comprised in such further offers are declined or deemed to be declined the further offers shall be withdrawn.

- 4.6 Subject to this Article 4 and the provisions of section 551 of the Act, the Shares shall be at the disposal of the Directors who may allot, grant or otherwise dispose of Relevant Securities to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that no Share shall be issued at a discount and no shares shall be issued at a price less than that at which they were offered to the Shareholders in accordance with Article 4.3 and if the Directors are proposing to issue such shares wholly or partly for a non-cash consideration the cash equivalent of such consideration for the purposes of this sub-paragraph shall be as reasonably determined by the Auditors who shall act as experts and not as arbitrators and whose determination shall be final and binding on the Company and each of its Shareholders. For the avoidance of doubt this Article 4.5 shall not apply to the issue of any Shares in connection with the exercise of the Options or pursuant to the Investment Agreement.
- 4.7 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.
- 4.8 In accordance with the exception stated in section 550 of the Act the Directors may not exercise any power of the Company to allot shares or to grant rights to subscribe for or to convert any security into shares pursuant to section 550 of the Act other than in accordance with these Articles.
5. **LIEN**
- The Company shall have a first and paramount lien on every Share (whether or not fully paid) for all and any indebtedness of any holder thereof to the Company (whether a sole holder or one of two or more joint holders) in respect of the Shares concerned.
6. **REGISTRATION OF TRANSFERS**
- 6.1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Directors) is of unsound mind.
- 6.2 The Directors may in their absolute discretion refuse to register the transfer of a Share whether or not it is fully paid without assigning any reason for such refusal, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent. Article 26(5) of the Model Articles shall be amended accordingly.
- 6.3 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.
7. **PERMITTED TRANSFERS**
- 7.1 Subject to Article 7.2, a Shareholder (the “**Original Shareholder**”) may transfer all or any of their Shares to a Permitted Transferee without restriction as to price or otherwise.
- 7.2 The right of a Shareholder who holds Shares as a nominee to transfer Shares to a Permitted Transferee shall be subject to Investor Consent being granted in respect of said transfer.
- 7.3 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:
- (a) the Original Shareholder;
  - (b) any Privileged Relation(s) of the Original Shareholder; or
  - (c) the new or remaining trustees of the Family Trust upon any change of trustees,
- without any restriction as to price or otherwise.
- 7.4 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:



- (a) execute and deliver to the Company a transfer of the Shares held by them 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 8,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 7.4.

7.5 The Company shall be obliged to register any transfer made pursuant to the above provisions in accordance with Article 6 (Registration of Transfers).

## 8. **PRE-EMPTION RIGHTS**

8.1 The right to transfer Shares or any interest therein shall be subject to Investor Consent being granted in respect of the said transfer and to the following additional restrictions, save that such restrictions shall not apply to any transfer of Shares pursuant to Article 7 (Permitted Transfers), Article 9 (Compulsory Transfers), Article 10 (Tag Along) or Article 11 (Drag Along).

8.2 Before transferring or disposing of any Shares (or any interest in Shares) any Shareholder wishing to transfer their Shares (the **"Proposing Transferor"**) shall serve a Transfer Notice on the Company specifying the number and class of Shares in question and the proposed price for such shares, and the Transfer Notice shall constitute the Company their agent for the sale of those Shares at the Prescribed Price to any Shareholder or Shareholders. Except as provided in this Article, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors.

8.3 A Transfer Notice may comprise Shares of more than one class and shall, if the Proposing Transferor has received any offer to purchase Shares (whether or not an offer capable of becoming legally binding upon acceptance) within the period of three months prior to service of the Transfer Notice, give the name of the offeror, the number and class of Shares concerned and the price offered in respect of each such Share.

8.4 The Directors will endeavour to agree the Prescribed Price with the Proposing Transferor. If the Directors fail to agree the Prescribed Price with the Proposing Transferor within 14 days of receipt of the Transfer Notice by the Company or, as applicable, a Transfer Notice having been deemed to have been served, the Directors shall request the Auditors (or if they are unable or decline to act, an independent firm of chartered accountants appointed by the Investor Director) and the provisions relating to Auditors in this Article 8 shall apply to such independent firm of chartered accountants (acting as experts and not as arbitrators) to certify the Prescribed Price.

8.5 The Auditors shall (acting as experts and not arbitrators) within 14 days of such a request certify to the Company the Prescribed Price, being the value of each Sale Share (or, where appropriate of each Sale Share of each class) calculated on the following basis:

- (a) by determining the sum which a willing purchaser would offer to a willing vendor for all the issued Shares; and
- (b) by dividing the resultant figure between the total number of shares in issue (regardless of class if more than one class of shares is in issue).

8.6 The Auditor's certificate as to the Prescribed Price shall be final and binding.

8.7 Within 21 days following receipt of the Transfer Notice or (where relevant) the date on which the Transfer Notice is deemed to have been given or where the Prescribed Price is certified by the Auditors the date of certification of the Prescribed Price, the Company shall offer the Sale Shares to each Shareholder (other than the Proposing Transferor) in accordance with the provisions of Articles 8.8 and 8.9 for purchase at the Prescribed Price. All offers shall be made by notice in writing and state a time (being between 30 and 42 days inclusive following the date of such notice) within which the offer must be accepted or, in default, will

be deemed to have been declined (the **"Acceptance Period"**). A copy of such offer shall at the same time be sent by the Company to the Proposing Transferor.

8.8 The Company shall offer the Sale Shares to the Shareholders in proportion to the number of Shares held by them (and for the purposes of this Article 8.8 if there is more than one class of Shares in issue, all Shares shall be treated as if they constituted one class of share).

8.9 The Sale Shares shall be offered on the following basis:

- (a) any Shareholder to whom the Sale Shares are offered may accept all or some only of the Sale Shares offered to them, and shall be invited to indicate whether, if they accept all such Sale Shares, they wish to purchase any Sale Shares which other Shareholders decline to accept (**"Excess Shares"**) and, if so, the maximum number of Excess Shares which they wish to purchase;
- (b) any Excess Shares shall be allocated between the Shareholders who have indicated that they wish to purchase Excess Shares pro rata to the proportion of the total number of Shares held by those Shareholders but so that no Shareholder shall be required or entitled to receive more than the maximum number indicated by them pursuant to Article (a);
- (c) subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares properly allocated to them under the provisions of this Article 8.9 at the Prescribed Price in accordance with the provisions of Articles 8.4 and 8.5.

8.10 Not later than 7 days following the expiration of the Acceptance Period the Company shall give written notice to the Proposing Transferor stating:

- (a) if it is the case, that no Shareholder has sought to purchase any of the Sale Shares; or, otherwise
- (b) the number of Sale Shares which Shareholders have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by them.

If within the Acceptance Period, Purchasers have been found for some only of the Sale Shares or if no Purchaser has been found for any of the Sale Shares, the Proposing Transferor may within 7 days of service on them of notice under this Article revoke their Transfer Notice by written notice to the Company.

8.11 If the Proposing Transferor is given notice under Article 8.10 (and subject to them not revoking their Transfer Notice in accordance with Article 8.10) they shall be bound on payment of the Prescribed Price to transfer the Sale Shares in question to the respective Purchasers. The sales and purchases shall be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of 14 days following the date of service of notice by the Company under Article 8.10.

8.12 If a Proposing Transferor fails to transfer any Sale Shares to a Purchaser after becoming bound to do so, the Directors may authorise any person to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the relevant Sale Shares. The Company's receipt of the purchase money shall be a good discharge to the Purchaser and the Company shall thereafter hold the purchase money on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the Register of Shareholders in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

8.13 If the Company fails before the end of the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may (subject to Article 8.15) sell all or any of the Sale Shares to any third party/parties.

8.14 If before the end of the Acceptance Period the Company finds a Purchaser or Purchasers for some (but not all) of the Sale Shares and serves notice accordingly under Article 8.10 the Proposing Transferor may (subject to Article 8.15) sell all or any of the Sale Shares for which no Purchaser has been found to any third party/parties unless they revoke their Transfer Notice pursuant to Article 8.15 in which case they may sell all (but not some only) of the Sale Shares to any third party/parties.

- 8.15 The right of the Proposing Transferor to sell Sale Shares pursuant to Article 8.13 or Article 8.14 shall be subject to the following restrictions:
- (a) Sale Shares may not be sold after the expiry of three months after the date on which notice is given by the Company under Article 8.10; and
  - (b) Sale Shares must be sold on a bona fide sale at a price not less than the Prescribed Price and without any deduction, rebate or allowance whatsoever to the Purchaser.
- 8.16 The costs of the Auditors shall be borne as the Auditors may direct.
- 8.17 The restrictions imposed by this Article 8 may be waived in relation to any proposed transfer of Shares with Investor Consent.
- 8.18 For the purposes of Article 8.15(b) and calculating whether or not a price to be paid for the Sale Shares is more or less than the Prescribed Price, then the cash value of any non-cash consideration shall be that agreed between the Proposing Transferor and the Company, or if the Proposing Transferor and the Company fail to agree such cash value within 15 Business Days following the earlier of any request by the Proposing Transferor to so value any non-cash consideration and the submission to the Company of the relevant stock transfer form(s) relating to a transfer of the Sale Shares for non-cash consideration, the cash value shall be the amount certified as such as at the date of the earlier of the request for valuation and the purported transfer of the Sale Shares at the request of the Directors, by the Auditors (acting as experts and not arbitrators). Their certificate shall be final and binding.
9. **COMPULSORY TRANSFERS**
- 9.1 If a Shareholder ceases, or has ceased to be a Shareholder of the Company as a result of:
- (a) death;
  - (b) gross misconduct (where the Shareholder is an employee of the Company); or
  - (c) having suffered a physical or mental deterioration which, in the opinion of the Directors acting with Investor Consent (not to be unreasonably withheld), is sufficiently serious to prevent the relevant person from continuing their role as Shareholder,
- (each a “**Compulsory Transfer Event**”)
- the Directors may at any time within one year of the date of the Compulsory Transfer Event, direct the Company to serve a notice on the legal personal representatives of the deceased/incapacitated Shareholder notifying them that the Shareholder is, with immediate effect, deemed to have offered such number and class of their Shares to such person(s) (including the Company and/or any Employee Trust) as may be specified by the Directors (the “**Compulsory Transfer Notice**”).
- 9.2 On receipt of a Compulsory Transfer Notice, the legal personal representatives of the deceased/incapacitated Shareholder shall be obliged to immediately transfer, at the Prescribed Price as determined in accordance with Article 8.5, such number of the Shareholder’s Shares to the person(s) specified in the Compulsory Transfer Notice.
- 9.3 Completion of the sale and purchase of the Shareholder’s Shares in accordance with the Compulsory Transfer Notice shall take place within 15 Business Days of the date of the Compulsory Transfer Notice at which time the legal personal representative(s) of the deceased/incapacitated Shareholder shall transfer the relevant Shares to the person(s) specified in the Compulsory Transfer Notice and deliver the relevant Share certificates against payment of the Prescribed Price for such Shares.
10. **TAG ALONG**
- 10.1 No sale or transfer of the legal or beneficial interest in any Shares (the “**Relevant Transaction**”) (other than one made pursuant to Article 11) may be made or validly registered if as a result of such sale or transfer a

Relevant Interest is obtained by a Third Party Purchaser, unless the Proposing Transferor shall have procured a written offer complying with the provisions of Article 10.3 to have been made by the proposed Third Party Purchaser to the holders of all the other issued Shares to acquire their entire holding of Shares.

10.2 For the purpose of this Article 10:

- (a) the expression "**a Relevant Interest**" shall mean an interest in more than 50% of the Shares in issue for the time being;
- (b) the expressions "**transfer**" and "**transferee**" shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment; and
- (c) the expression "**acting in concert**" shall bear the meaning ascribed to it in the City Code on Take-overs and Mergers (as amended from time to time).

10.3 The offer referred to in Article 10.1 above shall be on terms that:

- (a) it will be open for acceptance in England and Wales for a period of at least 28 days following the making of the offer;
- (b) each Shareholder to whom it is made shall be entitled to receive for each of the Shares held by them a sum per share equal to the Tag Along Consideration;
- (c) the purchase of any shares in respect of which such offer is accepted shall be completed at the same time as the Relevant Transaction;
- (d) otherwise on the same terms for all Shareholders (and for this purpose any offer which provides for any warranties or indemnities (other than warranties as to title and capacity) or restrictive covenants from some, but not all, Shareholders shall be deemed to comply with this Article 10.3); and
- (e) Investor Consent has been obtained in respect of the offer.

10.4 The Tag Along Consideration shall be the same consideration per Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from the proposed Third Party Purchaser in respect of the Shares held by the person transferring the Relevant Interest. Any dispute in relation to the amount of any consideration payable in accordance with this Article 10.4 which has not been resolved within 10 Business Days of the date of the offer referred to in Article 10.1 shall be referred to the Auditors for determination in accordance with Article 22.

10.5 The provisions of this Article 10 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares pursuant to this Article 10.

## 11. **DRAG ALONG**

11.1 Unless Investor Consent has been obtained, this Article 11 shall only take effect after three years from the Adoption Date.

11.2 If the holders of not less than 75% of the Shares (together the "**Selling Shareholders**") wish to transfer all their Shares to a Third Party Purchaser they shall have the option (a "**Drag Along Option**") to compel each other Shareholder (the "**Remaining Shareholders**") to transfer all their Shares with full title guarantee to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 11.

11.3 The Selling Shareholders shall exercise the Drag Along Option by requiring the Company to give notice to that effect (a "**Drag Along Notice**") to each of the Remaining Shareholders at any time before the registration of the transfer of the Selling Shareholders' Shares. A Drag Along Notice shall specify:

- (a) that the Remaining Shareholders are required to transfer all their Shares (the "**Remaining Shares**") pursuant to this Article 11;
- (b) the identity of the Third Party Purchaser;

- (c) the consideration for which, or the price at which, the Remaining Shares are to be transferred, determined in accordance with Article 11.5 (the "**Drag Along Consideration**"); and
- (d) the proposed date of transfer (if known).

- 11.4 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) if the Selling Shareholders decide for any reason not to transfer their entire holdings to a Third Party Purchaser.
- 11.5 Subject to Article 11.6 the Drag Along Consideration shall be the same consideration per Remaining Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Share held by the Selling Shareholders.
- 11.6 If the Drag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Remaining Shares within 10 Business Days of the date of the Drag Along Notice, such matter shall be referred for determination to the Auditors (in accordance with Article 22) and, pending their determination, the sale or transfer of the Selling Shareholders' Shares shall have no effect and shall not be registered.
- 11.7 Prior to completion of the sale and purchase of the Remaining Shares, the Selling Shareholders may resolve that the Remaining Shareholders are paid the cash equivalent of any non-cash consideration due to the Selling Shareholders from the Third Party Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to the Remaining Shareholders either on completion or at the same time as the relevant non-cash consideration is received by the Selling Shareholders. Any dispute in relation to the amount of any cash consideration in lieu of any non-cash consideration which has not been resolved within 10 Business Days of the date of the Drag Along Notice shall be referred to the Auditors for determination in accordance with Article 22.
- 11.8 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Shareholders' Shares (unless the Directors and all of the Remaining Shareholders shall agree otherwise).
- 11.9 Upon the service of a Drag Along Notice each Remaining Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders (severally) as the agent of the Remaining Shareholder to execute, in the name of and on behalf of that Remaining Shareholder, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Shareholder and to do such other acts and things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this Article 11.
- 11.10 Subject to Article 11.1, the provisions of this Article 11 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Third Party Purchaser named in a Drag Along Notice (or as that Third Party Purchaser may direct).

## 12. **APPOINTMENT OF CORPORATE FINANCIER**

If after the fifth year anniversary of the date the Investment Agreement was entered into, the Nominee Company and where applicable, any other person to whom the Company allotted Shares pursuant to the Investment Agreement ("**Investor Shares**"), still holds legal title to any such Investor Shares, then the Company shall on the instruction of Jenson appoint a corporate financier, subject to the approval of the Board, to help effect the sale of any Investor Shares at a market rate and the Company shall act in good faith in working with such corporate financier and Jenson, and take all reasonable steps, to help effect such sale.

13. **PROCEEDINGS AT GENERAL MEETINGS**

- 13.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. One Shareholder present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.
- 13.2 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that Article: If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved.
- 13.3 A poll may be demanded at any general meeting by:
- (a) the chairperson; or
  - (b) by any Shareholder present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.
- 13.4 Article 44(2) of the Model Articles shall not apply to the Company.
- 13.5 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that Article: A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 13.6 Article 45(1) of the Model Articles shall be amended as follows:
- (a) by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following: is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate; and
  - (b) by the insertion of the following as a new paragraph at the end of Article 45(1): and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting to which they relate.
- 13.7 The Company shall not be required to give notice of a general meeting to a Shareholder:
- (a) whose registered address is outside the United Kingdom and Europe unless they have provided an address for service within the United Kingdom and Europe; or
  - (b) for whom the Company no longer has a valid United Kingdom or European address.

14. **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 14.1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not be less than one nor more than six.
- 14.2 Model Article 17(1) shall not apply to the Company. Any person who is willing to act as a Director of the Company, and is permitted to do so, may:
- (a) be appointed to be a Director by ordinary resolution; or
  - (b) be appointed to be a Director by a decision of the Directors, either to fill a vacancy as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
- 14.3 The office of a Director shall automatically be vacated, and the Director in question shall be deemed to have resigned, upon a Shareholder, or Shareholders together, holding not less than 50% of the Shares from time to time requesting their resignation by notice in writing. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Shareholders) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors for this

purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice, and Article 18 of the Model Articles shall be extended accordingly.

- 14.4 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against them has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 27(3) of the Model Articles shall be modified accordingly.

15. **PROCEEDINGS OF DIRECTORS**

- 15.1 Two Directors, present either in person shall be a quorum for any meeting of the board of Directors, provided that:

- (a) if at any time there shall be only one Director in office, the quorum at that time shall be one Director;
- (b) for the purpose of any meeting held to authorise a Director's conflict of interest under Article 15/section 175 of the Act if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company.

- 15.2 If the number of votes for and against a proposal at a Directors' meeting is equal the chairperson shall have a casting vote, provided that the chairperson shall not have a casting vote if they are not an Eligible Director for the purposes of the relevant directors' decision. Article 13 of the Model Articles shall not apply to the Company.

16. **TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 16.1 Subject to sections 177 and 182 of the Act, and provided they have declared the nature and extent of their interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which they are interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which they are interested;
- (d) may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and their firm shall be entitled to remuneration for professional services as if they were not a Director;
- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as they may otherwise agree, be accountable to the Company for any benefit which they (or a person or body corporate connected with them (as defined in sections 252 and 254 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of their duty under section 176 of the Act.

16.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

17. **DIRECTORS' CONFLICTS OF INTEREST**

17.1 The Directors may, in accordance with the requirements set out in this Article 17, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching their duty under section 175 of the Act to avoid conflicts of interest (a **"Conflict"**).

17.2 Any authorisation under this Article will be effective only if:

- (a) the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
- (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
- (c) the matter was agreed to without the Director in question voting or would have been agreed to if their vote had not been counted.

17.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
- (b) be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
- (c) be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through their involvement in the Conflict otherwise than as a Director of the Company and in respect of which they owe a duty of confidentiality to another person, the Director is under no obligation to:

- (d) disclose such information to the Directors or to any Director or other officer or employee of the Company; or
- (e) use or apply any such information in performing their duties as a Director,

where to do so would amount to a breach of that confidence.

17.4 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:

- (a) is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
- (b) is not given any documents or other information relating to the Conflict; and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

17.5 Where the Directors authorise a Conflict:

- (a) the relevant Director will be obliged to conduct themselves in accordance with any terms imposed by the Directors in relation to the Conflict; and



- (b) the Director will not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the Act provided they act in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

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

18. **THE INVESTOR DIRECTOR**

18.1 Notwithstanding any other provisions of these Articles, so long as any Investor is holder of at least 5% of the fully diluted Shares in the Company, the Investor has the right to appoint one person as a Director of the Company and to remove from office any person so appointed and (subject to such removal) to appoint another person in their place.

18.2 The Investor Director shall not be required to hold any shares.

18.3 Any appointment or removal of the Investor Director shall be by notice in writing to the Company which will take effect on delivery at the registered office of the Company or at any meeting of the board of Directors.

19. **NOTICES**

19.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- (b) if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- (c) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (d) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (e) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article 19, no account shall be taken of any part of a day that is not a Business Day.

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

20. **INDEMNITY**

20.1 Subject to Article 20.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer in the actual or purported execution and/or discharge of their duties, or in relation to them, including any

liability incurred by them in defending any civil or criminal proceedings, in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any associated company); and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in Article 20.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

20.2 This Article 20 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

20.3 In this Article 20 and in Article 21:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any associated company) as auditor (whether or not they are also a director or other officer), to the extent that they act in their capacity as auditor.

20.4 Article 52 of the Model Articles shall not apply to the Company.

## 21. **INSURANCE**

21.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with their 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.

21.2 Article 53 of the Model Articles shall not apply to the Company.

## 22. **DISPUTES**

Where these Articles provide for any dispute in relation to a particular matter to be determined pursuant to this Article 22 such dispute shall be referred, at the request of any Shareholder or Director, to the Auditors. The decision of the Auditors (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Shareholders. The cost of such reference shall be borne as directed in the relevant Article or, where no such direction is given, by the party or parties named by the Auditors (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Auditors, equally by the parties concerned.