

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION
OF
THE ALTERNATIVE PALLET COMPANY LIMITED
COMPANY NUMBER: 06646163
("Pallite")

ON THE 10TH OCTOBER 2019 THE FOLLOWING SPECIAL RESOLUTION WAS AGREED AND PASSED BY ITS MEMBERS

Circulated on: 27 September 2019 ("Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 ("**2006 Act**"), the directors of Pallite propose that the following resolution is passed as a special resolution.

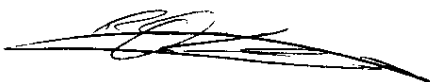
SPECIAL RESOLUTION

1. Adoption of Amended Articles of Association

That the Company adopt new articles of association as are attached to this resolution ("**Amended Articles**") and which are by this resolution adopted as the amended articles of association to the amendment of the existing articles of association.

2. Disapplication of Pre-Emption Rights

That, subject to Article 3 of the Company's articles of association, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by the resolution passed on 7th June 2019, as if article 3.3 did not apply to any such allotment, provided that this power shall be limited to the nominal amount and time period specified in the resolution passed on 7th June (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.



Financial Controller

Authorised Representative

The Alternative Pallet Company Ltd



A09 *A8GKTCT4* 25/10/2019 #148
COMPANIES HOUSE

Company number: 06646163

ARTICLES OF ASSOCIATION

of

THE ALTERNATIVE PALLET COMPANY LIMITED

Adopted by special resolution passed on 10th October 2019

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
THE ALTERNATIVE PALLET COMPANY LIMITED ("Company")
(Adopted by special resolution passed on 10th October 2019)

INTRODUCTION

1 Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

<i>"A" Ordinary Shares</i>	shares designated as "A" ordinary shares of £0.10 each forming a part of the capital of the Company;
<i>Act</i>	means the Companies Act 2006;
<i>Articles</i>	means the regulations recorded in this document comprising the company's articles of association (as amended for the time being from time to time);
<i>"B" Ordinary Shares</i>	shares designated as "B" ordinary shares of £0.10 each forming a part of the capital of the Company;
<i>"B" Shareholder</i>	a person who holds "B" Ordinary Shares (but only in that person's capacity as a holder of "B" Ordinary Shares and not in any other capacity);
<i>Business Day</i>	means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business;
<i>Called Shareholder</i>	has the meaning given in regulation 6.1;
<i>Called Shares</i>	has the meaning given in regulation 6.1;
<i>Conflict</i>	has the meaning given in regulation 8.1;
<i>Controlling Interest</i>	means an interest in shares conferring either (a) in aggregate more than 50% of the total voting rights conferred by all the company's issued shares, or (b) control of the company (within the meaning of section 1124 of the Corporation Tax Act 2010);
<i>Drag Completion Date</i>	has the meaning given in regulation 6.5;
<i>Drag Notice</i>	has the meaning given in regulation 6.2;

<i>Dragging Buyer</i>	has the meaning given in regulation 6.1;
<i>Eligible director</i>	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
<i>Exit</i>	means any of: <ul style="list-style-type: none"> (i) a return of capital by the Company following the sale or other disposal (whether by one transaction or a series of related transactions) of the whole or the majority of the business and assets (including shares of any member of the Group) of the Group; (ii) the becoming effective of a listing of any of the Shares or the granting of permission for any of any Group Company's securities to be traded on a Stock Exchange (or a return of capital by the Company following the becoming effective of a listing of any of any other Group Company's securities on a Stock Exchange or the granting of permission for any of any other of the Group Company's securities to be traded on a Stock Exchange) and for these purposes a listing shall be treated as occurring on the day on which trading in the relevant securities began; (iii) the sale or other disposal (whether by one transaction or a series of related transactions) of the entire issued share capital of the Company (or where the purchaser(s) already hold Shares, the sale or other disposal of Shares so that the purchaser(s) hold the entire issued share capital of the Company);
<i>Group</i>	means the Company and its Subsidiaries (if any) for the time being and " <i>Group Company</i> " means any of them;
<i>Interested Director</i>	has the meaning given in regulation 8.1;
<i>Majority Holders</i>	has the meaning given in regulation 6.1;
<i>Majority Sale Shares</i>	has the meaning given in regulation 6.1;
<i>Model Articles</i>	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;
<i>New Shareholder</i>	has the meaning given in regulation 6.9;
<i>Shareholder Group</i>	each shareholder and each person who would be treated as "Acting in Concert" (within 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) if that Code applied to the company;

- Shares* the "A" Ordinary Shares and the "B" Ordinary Shares (and Ordinary Shares to which all those "A" Ordinary Shares and the "B" Ordinary Shares may be redesignated pursuant to regulation 2.12);
- Stock Exchange* The London Stock Exchange plc (including the AIM operated by The London Stock Exchange plc), PLUS Markets plc (including the PLUS-listed market and PLUS-quoted market operated by PLUS Markets plc), the ICAP Securities and Derivatives Exchange or any other recognised investment exchange (as defined by section 285 of the Financial Services and Markets Act 2000) or any other stock or investment exchange in any other jurisdiction and in each case their respective share dealing markets;
- Tag Offer* has the meaning given in regulation 5.2; and
- Tag Triggering Transfer* has the meaning given in regulation 5.1.
- 1.1 Except to the extent otherwise specifically provided in these Articles, definition and interpretation provisions applying to the Model Articles apply equally to these Articles. Except to the extent otherwise specifically provided in these Articles or the Model Articles, definition and interpretation provisions applying to the Act apply equally to these Articles.
- 1.2 A reference in these Articles to a "*regulation*" is a reference to the relevant regulation of these Articles and a reference to an "*Article*" is to the corresponding numbered paragraph of the Model Articles.
- 1.3 Reference in these Articles to a "*Subsidiary*" means:
- 1.3.1 subsidiary as defined in section 1159 and Schedule 6 of the Companies Act 2006 (and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that company are registered in the name of (i) another person (or its nominee), whether by way of security or in connection with the taking of security, or (ii) its nominee); and
- 1.3.2 any other corporate entity which would fall within the definition of "subsidiary" referred to in regulation 1.3.1 if it were a company.
- 1.4 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as it is in force on the date of adoption of these Articles.
- 1.5 A reference to a statute or statutory provision includes all subordinate legislation made on the date on which these Articles are adopted under that statute or statutory provision.
- 1.6 The Model Articles apply to the company, except to the extent that they are modified or excluded by these Articles.
- 1.7 Articles 13 ("*Casting vote*"), 14(1), (2), (3) and (4) ("*Conflicts of interest*"), 26(5) ("*Share transfers*"), 44(2) ("*Poll*"), 49 ("*Company Seals*"), 52 ("*Indemnity*") and 53 ("*Insurance*") shall not apply to the company.
- 1.8 Article 20 ("*Directors' expenses*") shall be amended by the insertion of the words "*(including alternate directors) and the secretary*" before the words "*properly incur*".

- 1.9 In Article 25(2)(c) ("Replacement share certificates"), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.10 Article 29 ("Transmittees bound by prior notices") shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.11 Articles 31(1)(a) to (d) (inclusive) ("*Payment of dividends and other distributions*") shall be amended by the deletion, in each case, of the words "*either*" and "*or as the directors may otherwise decide*".

SHARES

2 Share capital

- 2.1 The Company has two classes of shares comprising the "A" Ordinary Shares and 6,258 "B" Ordinary Shares.
- 2.2 Except as otherwise provided in these Articles, the "A" Ordinary Shares and the "B" Ordinary Shares rank equally in all respects but shall each constitute separate classes of shares.
- 2.3 Save as provided in regulation 2.4, a dividend in respect of Shares will be paid only when and if declared by the Company's board of directors. Any such dividend will be distributed by way of dividend to the holders of the Shares pro rata to the number of Shares held by them respectively.
- 2.4 Upon an Exit or a tag offer in accordance with regulation 2.5 or other return of capital (other than from a return of capital (a) of the nature referred to in regulation 2.6, or (b) a redemption or purchase of Shares in accordance with these Articles) the proceeds arising from such transaction (or the surplus assets of the Company remaining after payment of its liabilities (in the case of a return of assets)) (in each case the "**Distribution Sum**") shall be applied as follows:
 - 2.4.1 first (unless a "B" Shareholder ("**Waiving 'B' Shareholder**") has previously confirmed in writing to the Company's board of directors ("**Waiver Notice**") in respect of a proposal to pay a Distribution Sum that this regulation 2.4.1 shall not apply to that "B" Shareholder's "B" Ordinary Shares (or a specified number of them) ("**Waiver Shares**") and that regulation 2.4.2 should instead apply in respect of any Distribution Sum payable in respect of the Waiver Shares), in paying to each holder of the "B" Ordinary Shares £25.00 (less any amount previously paid pursuant to this regulation 2.4.1 in respect of each "B" Ordinary Share) in respect of each "B" Ordinary Share held (and if the Distribution Sum is insufficient to pay each of the holders of "B" Ordinary Shares in full the amount due to be paid pursuant to this regulation 2.4.1 then the Distribution Sum shall be allocated between the holders of the "B" Ordinary Shares in proportion to the amounts that they would have been entitled to be paid were the Distribution Sum sufficient to pay each of the holders of "B" Ordinary Shares in full pursuant to this regulation 2.4.1);
 - 2.4.2 second, in paying to the holders of "A" Ordinary Shares (and to the Waiving "B" Shareholder in respect of Waiver Shares the subject of a Waiver Notice) £25.00 (less any amount previously paid pursuant to this regulation 2.4 in respect of each "A" Ordinary Share or, in the case of a Waiving "B" Shareholder, each Waiver Share) in respect of each "A" Ordinary Share held (and each Waiver Share as the case may be) (and if the Distribution Sum is insufficient to pay each of the holders of "A" Ordinary Shares (and Waiver Shares as the case may be) in full

- the amount due to be paid pursuant to this regulation 2.4.2 then the Distribution Sum shall be allocated between the holders of the "A" Ordinary Shares (and the Waiving "B" Shareholder as the case may be) in proportion to the amounts that they would have been entitled to be paid were the Distribution Sum sufficient to pay each of the holders of "A" Ordinary Shares (and the Waiver Shares) in full pursuant to this regulation 2.4.2); and
- 2.4.3 the balance (if any) of the Distribution Sum (after having made any applicable payments pursuant regulations 2.4.1 and 2.4.2) shall belong to and be distributed among the holders of Shares equally according to the number of Shares which they hold (without reference to different classes of Shares).
- 2.5 If a "B" Shareholder accepts a Tag Offer made in accordance with regulation 5.2 the amount payable to each "B" Shareholder pursuant to the Tag Offer shall be calculated on the basis that the "*Distribution Sum*" referred to in regulation 2.4 were the amount that would be paid if every Shareholder had accepted that Tag Offer and the amount payable to "B" Shareholders who actually accept that Tag Offer shall then be determined in accordance with regulation 2.4.
- 2.6 On a return of capital on liquidation or a winding up the surplus assets of the Company remaining after the payment of its liabilities shall be applied in distributing the balance of such assets amongst the holders of the Shares equally as if they constituted one class of Share in proportion to the numbers of Shares held by them respectively.
- 2.7 No Share which is not a "B" Ordinary Share shall be converted into a "B" Ordinary Share except with the prior written consent of holders of a majority of the then issued "B" Ordinary Shares. No Share which in respect of any Distribution Sum ranks equally with or in priority to the "B" Ordinary Shares may be allotted or issued except with the prior written consent of holders of a majority of the then issued "B" Ordinary Shares.
- 2.8 Each Share confers the right to receive notice of and attend and vote and speak at any general meeting of the Company and each holder of a Share shall be entitled to vote on any written resolution of the Company. Save, in each case, as provided otherwise in the Act, each holder of Shares present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to one vote for each Share held by such holder.
- 2.9 Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled ("**Material Change**") only with the consent in writing of.
- 2.9.1 (in the case of a Material Change affecting "B" Ordinary Shares) the holders of 75% of the issued "B" Ordinary Shares; and
- 2.9.2 (in the case of a Material Change affecting the "A" Ordinary Shares) the holders of 75% of the issued "A" Ordinary Shares.
- 2.10 Members of the Company may not nominate any other person to enjoy or exercise all or any specified rights of the member of the Company in relation to the Company pursuant to section 145 of the CA2006. Accordingly, the Company shall not be obliged to give effect to any purported nomination notice received by it.
- 2.11 A "B" Ordinary Share shall automatically convert in to an "A" Ordinary Share if it is transferred (i) following a transfer pursuant to a Tag Offer, or (ii) otherwise than:
- 2.11.1 by a person who is a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed by a person whose

principal business is to make, manage or advise upon investments ("**Investment Entity**") who (in its capacity as an Investment Entity) holds the transferred "B" Ordinary Shares as nominee for another person or persons ("**Fund Participants**");

- 2.11.2 to (i) the Fund Participants (in the same proportions as they hold the relevant "B" Ordinary Shares for those Fund Participants), or (ii) a person who is itself an Investment Entity who will hold the transferred "B" Ordinary Shares as nominee for the same Fund Participants (in the same proportions as they hold the relevant "B" Ordinary Shares for those Fund Participants).
- 2.12 All Shares shall automatically convert in to "A" Ordinary Shares and then all the "A" Ordinary Shares shall automatically be redesignated as Ordinary Shares immediately following the sooner of:
 - 2.12.1 payment of all amounts then due under regulation 2.4 in respect of an Exit, and
 - 2.12.2 all "B" Ordinary Shares having been converted in to an "A" Ordinary Shares pursuant to regulation 2.11.
- 2.13 Save as resolved by the Board, no declared dividend shall be payable in respect of any shares unless and until the amount of such dividend when aggregated with all dividends then payable to the holder of such Shares exceeds the sum of £10.
- 2.14 All the dividends declared but not paid to a shareholder pursuant to regulation 2.13 as a result of the cumulative value not exceeding £10 ("**Withheld Dividends**") shall be held by the Company as dedicated retained dividends on trust for those holders of shares so entitled to the Withheld Dividends. Withheld Dividends shall be payable to the holders of shares so entitled on the earlier of a transfer of the shares to which the Withheld Dividends relate, a winding up of the Company or the cumulative value of such Withheld Dividends exceeding £10.
- 2.15 Further to regulation 2.14 the Company shall notify each shareholder whose accumulated entitlement to Withheld Dividends is less than £10 with a running total of their accumulated dividends on request by each holder of shares so entitled to Withheld Dividends and each time a dividend is declared.

3 **Issue of shares**

- 3.1 Shares may be issued as nil, partly or fully paid.
- 3.2 Unless the members of the Company by ordinary resolution authorise otherwise, all shares which the directors propose to issue (other than issuances of the sort referred to in section 549(2) of the Companies Act 2006 which are exempted from the statutory pre-emption requirements) must first be offered to the members in accordance with the following provisions of this Article.
- 3.3 Shares must be offered to members in proportion as nearly as may be to the number of existing shares held by them respectively (fractional entitlements being dealt with as the directors decide appropriate).
- 3.4 The offer shall be made by notice specifying the number of shares offered and price at which they are offered and limiting a period (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. Members may apply for more than the proportionate number of shares offered to them and if applications are received for more than the number of shares proposed to be issued each member how accepts the offer shall have priority in respect of that number of shares as corresponds to the proportion offered and then any excess shall be allocated by the Board in proportion to the number of shares held by each accepting member who applied excess shares (save that no member shall be required to subscribe for more shares than the number for which the member applied) and the Board shall so far as

possible satisfy all applications to subscribe for shares. In making such allocations the Board shall deal with fractional entitlements as it sees fit.

- 3.5 After the expiration of the period referred to in regulation 3.4 above, those shares not accepted by shareholders shall be under the control of the directors, who may allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit (provided that they shall not be offered for subscription at a price lower than the price stated in the notice given pursuant to regulation 3.4 above.
- 3.6 In accordance with section 567 of the Companies Act 2006, sections 561 and 562 of that Act are excluded.
- 3.7 The Company has previously approved the establishment of an enterprise management incentive scheme in relation to the employees of the Company, the adoption of these Articles does not invalidate this authority.
- 3.8 The conditions of issue of any shares shall not require the Company to issue any share certificate although the Board may resolve to do so.
- 3.9 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders.
- 3.10 If the Board resolves to issue a share certificate it may be issued in electronic format, under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two directors or by at least one director and the Secretary. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person.
- 3.11 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

4 Share transfers and purchase

- 4.1 The directors may not refuse to register the transfer of a share unless:
 - 4.1.1 (if the transfer is subject to stamp duty) the transfer is not properly stamped;
 - 4.1.2 the transfer is not presented with the share certificate or indemnity for lost certificate;
 - 4.1.3 they suspect that the transfer may be fraudulent;
 - 4.1.4 the purported transfer is made in breach of regulation 4.5; or
 - 4.1.5 they may not register the transfer pursuant to regulation 4.2.
- 4.2 The directors shall refuse to register the transfer of a share if they suspect that the transfer could result in a Shareholder Group acquiring or increasing a Controlling Interest and:
 - 4.2.1 the provisions of regulation 6 regulation 5 ("*Tag along rights on a change of control*") have not been adhered to; or (as the case may be)
 - 4.2.2 the provisions of regulation 6 ("*Drag along*" and subject always to clause 6.7) have not been adhered to.
- 4.3 If the directors refuse to register a transfer the instrument of transfer (and accompanying certificate or indemnity) must (unless they suspect that the Tag

Triggering Transfer may be fraudulent) be returned to the transferee together with a notice giving reasons for the refusal as soon as practicable and in any event within two months after the date on which the instrument of transfer was lodged for registration.

- 4.4 The Company may not purchase its own shares.
- 4.5 A shareholder who wishes to transfer any shares (the "**Transferring Shareholder**") shall (unless otherwise agreed by the directors of the Company, the "**Board**"), before transferring or agreeing to transfer such shares (the "**Transferring Shares**") or any interest in them, first offer those Transferring Shares to the other shareholders, by giving written notice to the Company (a "**Transfer Notice**") specifying:
- 4.5.1 the number of Transferring Shares the Transferring Shareholder wishes to transfer and offering to transfer them free of all restrictions, liens, charges and other encumbrances in accordance with the provisions of this regulation 4.5; and
- 4.5.2 if the Transferring Shareholder wishes to transfer the Transferring Shares to one or more identified purchasers for cash, the identity of the proposed purchaser(s) (provided that no Transfer notice may name more than four proposed purchasers) and the price (specified as a cash value) offered by that proposed purchaser for each of the Transferring Shares (the "**Price**").
- 4.6 Once served a Transfer Notice may not be withdrawn by the Transferring Shareholder without the prior consent of the Board. A shareholder may not serve more than one Transfer Notice at any time, and once a Transfer Notice has been served may not serve another Transfer Notice within six months without the prior written agreement of the Board (and any attempt to do so shall be deemed withdrawn by the Transferring Shareholder on the day on which it is served). If the Transfer Notice specifies no Price then regulation 4.9 shall apply to determine the Price. As soon as practicable following receipt of the Transfer Notice specifying the Price (or, if regulation 4.9 applies, following determination of the Price) the Board shall offer the Transferring Shares to the other shareholders (such offer to specify the identity of the seller, any prospective purchaser named in the Transfer Notice and the Price), inviting those recipient shareholders to state by notice in writing to the Board within 10 Working Days of the offer by the Board (the "**Transfer Offer Period**") offering to purchase all (or a lesser specified number) of the Transferring Shares at the Price (such offer constituting a "**Purchase Notice**"). A shareholder who serves a Purchase Notice is a "**Purchasing Shareholder**".
- 4.7 If Purchasing Shareholders offer to buy in aggregate not more than the total number of Transferring Shares each Purchasing Shareholder shall be required to buy all the Transferring Shares specified by him in the Purchase Notice, if Purchasing Shareholders offer to buy in aggregate more than the total number of Transferring Shares each Purchasing Shareholder shall have priority in respect of that number of Transferred Shares as corresponds to the proportion of all the shares held by shareholders to whom the offer was made and then any excess shall be allocated by the Board in proportion to the number of shares held by each Purchasing Shareholder who applied for Transferring Shares over such entitlement (save that no Purchasing Shareholder shall be required to buy more Transferring Shares than the number applied for by him or it) and the Board shall so far as possible satisfy all applications to purchase Transferring Shares that are made by Purchasing Shareholders. In making such allocations the Board shall deal with fractional entitlements as it sees fit.
- 4.8 Any Transferring Shares not accepted pursuant to regulation 4.7 may be transferred by the Transferring Shareholder to any of the proposed purchasers named in the Transfer Notice provided that the Board is satisfied that the transfer is made in good faith to a person which is not operating a business in competition with the company

(such determination to be made by the Board in good faith) at or above the Price and such transfer is delivered to the Company within 90 Working Days of the end of the Transfer Offer Period.

- 4.9 If no Price is stated in the Transfer Notice, the Price shall be such price per Transferring Share as may be agreed between the Board and the Transferring Shareholder or (in the absence of agreement within 25 Working Days of the first invitation by the Board or the Transferring Shareholder to the other to agree the Price) determined as provided by the following provisions of this regulation 4.9. Subject to being satisfied that the Transferring Shareholder shall pay the associated costs, the Board shall invite the Company's accountants for the time being to determine the Price (being the fair value of each Transferring Share as determined by the accountants) and if those accountants are willing to accept the invitation to determine the Price they shall do so as experts (and not arbitrators) in accordance with regulation 4.10 and their costs and expenses shall be borne equally by the Company and the Transferring Shareholder. If the accountants are unwilling to provide such certification the Price shall be determined (having regard to the provisions of regulation 4.10) by the Board after having taken such advice from the Company's accountants as the Board considers prudent (and the Board may require that half the costs of such advice shall be paid by the Transferring Shareholder). If the Board is not satisfied that the Transferring Shareholder shall pay the costs referred to in this Article, the Board may deem the Transfer Notice to be withdrawn.
- 4.10 When determining the fair value (and Price) pursuant to regulation 4.9 the valuation shall be on such bases as the accountants (or, as the case may be, the Board) reasonably consider appropriate in all the circumstances and otherwise assuming that no discount shall be given for a minority holding (or uplift given for majority a holding), that the sale is between a willing seller and a willing buyer of the Transferring Shares, that (unless it is patently not the case) the Company is carrying on its business as a going concern and shall continue to do so, that the Transferring Shares are sold free of all restrictions, liens, charges and other encumbrances and that the value is to be determined on the date on which the Transfer Notice was served (but having regard to matters occurring after that date if and to the extent that they are in the public domain).
- 4.11 Following completion of the procedure in respect of the Transferring Shares set out in regulations 4.5 to 4.10, the Transferring Shareholder shall sell the Transferring Shares to the Purchasing Shareholders in accordance with the allocations determined by the Board pursuant to regulation 4.7 and shall execute and deliver to the Board the necessary stock transfer forms relating to the Transferring Shares (as required by the Board) and the Board shall receive the Price in respect of each such Transferring Share from the relevant Purchasing Shareholder and release that payment to the Transferring Shareholder and the relevant stock transfer form to the relevant Purchasing Shareholder. Each Purchasing Shareholder shall be obliged to pay the Price for the Transferring Shares.
- 4.12 A person any of whose shares are held on trust by Crowdcube Nominees Limited (company number 09820478) or a replacement nominee to which it transfers all its shares ("**NomineeCo**") shall be entitled at any time to transfer his entire beneficial interest in the shares so held on trust for him by NomineeCo without restriction to any person, provided that (i) the legal title in such Shares continues to be held by NomineeCo and (ii) the transferee is (or becomes prior to the completion of the transfer) a member of the crowdfunding platform operated by Crowdcube Capital Limited (company number 09095835).
- 4.13 In the following provisions of this regulation 4 "**Permitted Transferee**" means
- 4.13.1 in relation to a Shareholder who is an individual, (i) any of his spouse, civil partner (as defined in the Civil Partnership Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue) ("**family members**"), (ii) trustees of a trust or settlement set

- up wholly for the benefit of that individual shareholder and/or her or her family members ("**Trustees**"), or (iii) a company in which the shareholder and/or Trustee hold the entire issued share capital and over which that shareholder or those Trustees exercise control (within the meaning of section 1124 of the CTA 2010);
- 4.13.2 in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Companies Act 2006) means 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 (within the meaning of the same Part of the Companies Act 2006); and
- 4.13.3 in relation to NomineeCo (as defined in regulation 4.12) another third party trust company whose identity has been approved in writing by the Board (such approval not to be unreasonably withheld or delayed).
- 4.14 Where any holder of a Share (i) is or holds the Shares as trustee or nominee for, or otherwise on behalf of, any fund, unit trust, partnership, limited partnership, limited liability partnership, bank, investment trust or investment company, (ii) is a collective investment scheme or vehicle, pension fund or insurance company, (iii) manages any portfolio of assets pursuant to a discretionary investment management agreement, or (iv) is authorised or exempted person under the Financial Services and Markets Act 2000 (each a "**Fund**" which expression includes subsidiary undertakings (within the meaning of section 1161 of the Companies Act 2006) of the relevant holder of Shares), that Fund may transfer Shares:
- 4.14.1 to any unit holder, shareholder, partner, participant in or manager of the Fund;
- 4.14.2 to any other fund managed or advised by the same manager or adviser (or any other fund on behalf of whom any such Share is held by the transferor as nominee or trustee) or to any other body corporate which is the manager's or adviser's subsidiary or holding company or another subsidiary of its holding company (for these purposes a "**fund**" means a person who would be a Fund if it held Shares); or
- 4.14.3 to any trustee, nominee or general partner of or custodian for the Fund or any other transferee under regulation 4.14.1 or 4.14.2 and by such trustee, nominee, general partner or custodian to another trustee, nominee, general partner or custodian for the Fund or any transferee under regulation 4.14.1 or 4.14.2;
- 4.14.4 pursuant to a scheme under which certain officers, employees or partners of the Fund (or of its advisers or manager) are entitled (as individuals through a body corporate or any other vehicle) to acquire shares.
- 4.15 For the purposes of regulation 4.14 it is noted that Earth Capital is deemed to be a Fund.
- 4.16 Subject always to the other requirements of this regulation 4, a shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its shares to a Permitted Transferee without restriction as to price or otherwise.
- 4.17 Shares previously transferred as permitted by regulation 4.16 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 4.18 Where under the provision of a deceased shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal

representative of the deceased Shareholder may transfer any share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 4.19 If a shareholder holds shares which were transferred to it in its capacity as a Permitted Transferee ceases to be a Permitted Transferee of the Original Shareholder, that shareholder must not later than five Working Days after the date on which the relevant relationship ceases to exist, transfer the shares held by it to the Original Shareholder (or a family member or parent undertaking or a subsidiary undertaking of the Original Shareholder (or a subsidiary undertaking of any parent undertaking of the Original Shareholder) which is not then in bankruptcy or liquidation (such transfer may be made without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of those Shares (without specifying a Price).

5 **Tag along rights on a change of control**

- 5.1 Except in the case of transfers pursuant to regulation 6 the provisions of regulation 5.2 to regulation 5.4 shall apply if, in one or a series of related transactions, one or more persons ("**Tag Group**") wish to transfer any shares which would, if transferred, result in any Shareholder Group acquiring a Controlling Interest or increasing a Controlling Interest (a "**Tag Triggering Transfer**").

- 5.2 Before a Tag Triggering Transfer may be registered the person proposing to sell the relevant shares shall procure that a member (or nominee) of the relevant Tag Group makes an offer ("**Tag Offer**") to:

5.2.1 all other shareholders to purchase all of the shares held by them on the basis that the price to be offered to the "B" Shareholders in respect of each "B" Ordinary Share held by them respectively shall be calculated in accordance with regulations 2.4 and 2.5 (and for the purposes of calculation only, that calculation shall be made on a pro rata basis as if all Shareholders had accepted the Tag Offer) and on the basis that the Distribution Sum (as defined in that regulation) shall be calculated as the aggregate of the price offered to be paid respect of each "A" Ordinary Shares multiplied by the total of (i) the number of Shares then in issue, together with (ii) the total number of Shares to which the Tag Offer is to be made pursuant to regulations 5.2.2 and 5.2.3 other than any such Shares where the price of exercising the subscription rights would be greater than the price offered to be paid by the relevant Tag Group in respect of each "A" Ordinary Share;

5.2.2 the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) or other rights to subscribe for Shares or securities convertible into Shares that are already capable of exercise or that are expected to become capable of exercise before or as a consequence of the Tag Triggering Transfer, to purchase any shares acquired on the exercise of options at any time before the Tag Triggering Transfer; and

5.2.3 the holders of any securities of the Company that are convertible into Shares, to purchase any Shares arising from the conversion of such securities at any time before the Tag Triggering Transfer.

- 5.3 The Tag Offer shall be made by written notice to each person referred to in regulation 5.2 at least 30 Business Days before the proposed sale date. The notice making the Tag Offer shall set out:

5.3.1 the identity of the members of the Tag Group and relevant Shareholder Group;

5.3.2 for a consideration payable in cash per share being an amount determined by the directors as being at least equal to the value of the

highest price per share offered or paid by member of the Shareholder Group in connection with the proposed Tag Triggering Transfer or by any member of the relevant Shareholder Group during the period starting 18 months before the date that the directors (acting as a board) were first notified of the proposed Tag Triggering Transfer and ending on the date on which the Tag Offer is made and other terms and conditions of payment;

- 5.3.3 the proposed sale date;
- 5.3.4 that the offer may be accepted by notice to a person identified for this purpose in the Tag Offer (with a physical address and email address being given for acceptances to be notified) which acceptance notice is copied to the directors.

5.4 If the Tag Offer is accepted by any recipient (a "**Tagging Shareholder**") within 21 Business Days of the date on which the Tag Offer is despatched to the last person to whom it is made pursuant to regulation 5.3, the completion of the Tag Triggering Transfer shall be conditional on completion of the purchase of all the shares held by persons who accept the Tag Offer. Each Tagging Shareholder shall promptly do all such things and execute all such deeds and sign all such documents as a person appointed by holders of a majority of shares held by the Tag Group (the "**Tag Group's Representative**") may reasonably require in order to give effect to the Tag Triggering transfer and if any Tagging Shareholder does not do so, each defaulting Tagging Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Tag Group's Representative to be the relevant Tagging Shareholder's agent to do all such things, execute all such deeds and sign all such documents as are necessary on the relevant Tagging Shareholder's behalf. After the relevant Shareholder Group (or any member(s)) has or have been registered as the holder of the shares the subject of the Tag Offer, the validity of such proceedings shall not be questioned by any person. If a holder of "B" Ordinary Shares accepts a Tag Offer, the relevant "B" Ordinary Shares so transferred shall (on completion of the transfer) automatically convert in to "A" Ordinary Shares in accordance with regulation 2.11.

5.5 If the Tag Offer is not made to all of the persons listed in regulation 5.2 in accordance with regulations 5.2 and 5.3 or if payment is not made to a person who accepts the Tag Offer within 60 Business Days of the Tag Offer being made (or, if acceptance of a Tag Offer permits a Drag Notice to be served by a stated later date) the person proposing to transfer shares that would result in the Tag Triggering Transfer shall not be entitled to complete the Tag Triggering Transfer and the Company shall not register any transfer of shares effected in accordance with the Tag Triggering Transfer.

6 **Drag along**

6.1 If the holders of 65% or more of the shares in issue for the time being ("**Majority Holders**") wish to transfer all (but not some only) of their shares ("**Majority Sale Shares**") to a bona fide purchaser on arm's length terms ("**Dragging Buyer**"), the holders of a majority of the shares held by the Majority Holders may require all other shareholders (each a "**Called Shareholder**") to sell and transfer all their shares ("**Called Shares**") to the Dragging Buyer in accordance with the provisions of this regulation 6.

6.2 The Majority Holders may exercise the rights conferred by regulation 6.1 by giving written notice to that effect to the Called Shareholders ("**Drag Notice**") at any time before the transfer of the Majority Sale Shares to the Dragging Buyer. The Drag Notice shall specify:

- 6.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this regulation 6;

- 6.2.2 that any Called Shareholder may notify the directors and the person serving the Drag Notice that it intends to offer (or procure that an offer is made) to acquire more than 75% of the shares in issue on the date that the Drag Notice is served, such offer being made on terms no less beneficial to recipients of Drag Notice than the terms offered by the Drag Notice other than as to price, which shall be at least 3% higher than the price specified pursuant to regulation 6.2.4 (the copy of such notification given to the directors to be accompanied by evidence satisfactory to the directors (acting as a board) that funding is available to make such an offer, and that such an offer will be made within 60 days following the date of the Drag Notice);
- 6.2.3 the person to whom the Called Shares are to be transferred;
- 6.2.4 the purchase price payable for the Called Shares which shall, for each Called Share, be:
 - 6.2.4.1 in the case of each of the "A" Ordinary Shares, an amount at least equal to the price per share offered by the Dragging Buyer for each of the Majority Sale Shares; and
 - 6.2.4.2 in case of each of the "B" Ordinary Shares shall be the higher of:
 - (a) the price offered for each of the "A" Ordinary Shares (as determined pursuant to regulation 6.2.4.1); and
 - (b) the amount that the "B" Shareholder would have been entitled to be paid in respect of that "B" Ordinary Share pursuant to regulation 2.4 on an Exit on the date on which the Drag Notice is served;
- 6.2.5 the proposed date of the transfer; and
- 6.2.6 that the offer may be accepted by notice to a person identified for this purpose in the Drag Notice (with a physical address and email address being given for acceptances to be notified) which acceptance notice is copied to the directors.
- 6.3 Once issued, a Drag Notice shall be irrevocable. However, a Drag Notice shall lapse if (a) a recipient of the Drag Notice serves a notice accepting the invitation to make an alternative offer on the terms specified pursuant to regulation 6.2.2 and the directors confirm that they are reasonably satisfied that that offer can be funded and will be made (resulting in a new Drag Notice being served at a higher price within 60 days of the date of the Drag Notice being replied to), or (b) for any reason, the Majority Holders have not sold the Majority Sale Shares to the Dragging Buyer within 15 Business Days of serving the Drag Notice. The Majority Holders may serve further Drag Notices following the lapse of any particular Drag Notice.
- 6.4 No Drag Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this regulation 6.
- 6.5 Completion of the sale of the Called Shares shall take place on the date (the "**Drag Completion Date**") which is the sooner of the date (a) falling 15 Business Days after the date on which the Drag Notice is served, and (b) on which the Dragging Buyer becomes unconditionally committed to acquire any of the Majority Sale Shares.
- 6.6 On or before the Drag Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Drag Completion Date, the Company shall pay the Called Shareholders, on

behalf of the Dragging Buyer, the amounts due pursuant to regulation 6.2.4 to the extent that the Dragging Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Dragging Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 6.7 To the extent that the Dragging Buyer has not, on the Drag Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, then (a) the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this regulation 6 in respect of their shares, and (b) the directors shall not register the transfer of any of the Majority Sale Shares to the Dragging Buyer.
- 6.8 If any Called Shareholder does not, on or before the Drag Completion Date, execute and deliver (in accordance with regulation 6.6) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Holders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Dragging Buyer (or as it may direct) as the holder thereof. After the Dragging Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this regulation 6.
- 6.9 Following the issue of a Drag Notice, upon any person exercising a pre-existing option to acquire shares in the Company or exercising a conversion right in respect of any convertible security of the Company (a "**New Shareholder**"), a Drag Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by it to the Dragging Buyer (or as the Dragging Buyer may direct) and the provisions of this regulation 6 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place on the Drag Completion Date or immediately upon the New Shareholder becoming a shareholder, if later.

DIRECTORS

7 Casting vote

- 7.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.
- 7.2 Transactions or other arrangements with the company
- Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 7.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- 7.2.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 7.2.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect

of such existing or proposed transaction or arrangement in which he is interested;

- 7.2.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 7.2.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 7.2.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8 Directors' conflicts of interest

- 8.1 The directors may, in accordance with the requirements set out in this regulation, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 8.2 For the purposes of any meeting (or part of a meeting) held pursuant to regulation 8 to authorise a director's Conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 8.3 Any authorisation under this regulation 8 will be effective only if:
 - 8.3.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 8.3.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other Interested Director; and
 - 8.3.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other Interested Director's vote had not been counted.
- 8.4 Any authorisation of a Conflict under this regulation 8 may (whether at the time of giving the authorisation or subsequently):
 - 8.4.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.4.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

- 8.4.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- 8.4.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- 8.4.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the affairs of the company where to do so would amount to a breach of that confidence; and
- 8.4.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.5 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 8.6 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 9 **Records of decisions to be kept**
Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.
- 10 **Number of directors**
Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.
- 11 **Appointment and removal of alternate directors**
 - 1.2 Any director may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
 - 11.1.1 exercise that director's powers; and
 - 11.1.2 carry out that director's responsibilities,
 in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
 - 11.2 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.

- 11.3 The notice must:
- 11.3.1 identify the proposed alternate; and
 - 11.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

12 Rights and responsibilities of alternate directors

- 12.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate director's appointor.

- 12.2 Except as the Articles specify otherwise, alternate directors:

- 12.2.1 are deemed for all purposes to be directors;
- 12.2.2 are liable for their own acts and omissions;
- 12.2.3 are subject to the same restrictions as their appointor; and
- 12.2.4 are not deemed to be agents of or for their 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.

- 12.3 A person who is an alternate director but not a director:

- 12.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- 12.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- 12.3.3 shall not be counted as more than one director for the purposes of regulation 12.3.1 and regulation 12.3.2.

- 12.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his 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) but shall not count as more than one director for the purposes of determining whether a quorum is present.

- 12.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the remuneration of the alternate director's appointor as the appointor may direct by notice in writing made to the company.

13 Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- 13.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate; or
- 13.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director; or
- 13.1.3 on the death of the alternate's appointor; or
- 13.1.4 when the alternate's appointor's appointment as a director terminates.

14 **Secretary**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

DECISION MAKING BY SHAREHOLDERS

15 **Poll votes**

15.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

15.2 Article 44(3) ("*Poll votes*") shall be amended by the insertion of the words "*A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made*" as a new paragraph at the end of that article.

16 **Proxies**

16.1 Article 45(1)(d) ("*Content of proxy notices*") shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

1.3 Article 45(1) ("*Content of proxy notices*") shall be amended by the insertion of the words "*and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting*" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

17 **Means of communication to be used**

17.1 Subject to regulation 17.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

17.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

17.1.2 if sent by fax, at the time of transmission; or

17.1.3 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

17.1.4 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

17.1.5 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

17.1.6 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or

17.1.7 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; or

- 17.1.8 if deemed receipt under the previous paragraphs of this regulation 17.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this regulation, all references to time are to local time in the place of deemed receipt.
- 17.2 To prove service, it is sufficient to prove that:
- 17.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 17.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 17.2.3 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 17.2.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.
- 17.3 Without prejudice to Article 48, notices and any other communications sent or supplied, by or to shareholders or directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Companies Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such shareholder or director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such shareholders or directors) PROVIDED THAT in the case of communication via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism the Company has, in the case of each notice or communication sent or supplied, (i) obtained prior written confirmation from the relevant shareholder or director that the relevant such shareholder or director has access to the relevant system or mechanism used and (ii) is provided in an e-mail with a hyper-link to such notice or communication that the relevant shareholder or director has access to the relevant system (it being deemed that all persons whose Shares are held on trust for them by NomineeCo (as defined in regulation 4.12) has access to any communication hosted by the crowdfunding platform operated by Crowdcube Capital Limited (company number 09095835) (or any successor to that platform or company).
- 17.4 For the purposes of regulation 17.3 above, the Company can assume that any email addresses supplied to the Company, its officers or agents by shareholders or directors are up to date and current, and it is the sole responsibility of each shareholder and director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all shareholders and directors agree that the Company has no responsibility to any shareholder or director who fails to receive any notice or other communication as a result of the shareholder or director failing to comply with this regulation 17.4.
- 17.5 When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Companies Act.
- 17.6 Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be

deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission.

17.7 The Company's obligation to send or supply any notice or communication to shareholders or directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control.

17.8 Each shareholder and director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Companies Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website.

18 **Indemnity**

18.1 Subject to regulation 18.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

18.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

18.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

18.1.1.2 in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

18.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in regulation 18.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

18.2 This regulation does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

18.3 In this regulation:

18.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and

18.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

19 **Insurance**

19.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

19.2 In this regulation:

19.2.1 a "*relevant officer*" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

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

19.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.