

Company No: 07103079

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
- of -

CARWOW LIMITED (the "Company")

SATURDAY



A08 *A8C200Q1* 17/08/2019 #286
COMPANIES HOUSE

28 March 2019 2019 (the "**Circulation Date**")

Pursuant to chapter 2 of part 13 of the Companies Act 2006, the directors of the Company propose that resolutions 1 to 3 (inclusive) below be passed as ordinary and special resolutions (as indicated) (the "**Resolutions**").

ORDINARY RESOLUTIONS

1. That the directors be generally and unconditionally authorised to exercise all the powers of the Company to allot D3 shares of £0.00001 or ordinary shares of £0.00001 in the Company or to grant rights to subscribe for or to convert any security into D3 shares of £0.00001 or ordinary shares of £0.00001 in the Company (in each case, having the rights ascribed in the New Articles), up to a maximum aggregate nominal amount of £77 43754, provided that:
 - (a) the authority granted under this resolution shall expire five years after the passing of this resolution; and
 - (b) the Company may, before such expiry under paragraph (a) above of this resolution, make an offer or agreement which would require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the directors may allot such shares or grant such rights (as the case may be) in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority is in addition to all subsisting authorities.

SPECIAL RESOLUTIONS

2. That the articles of association contained in the document attached to these written resolutions (the "**New Articles**") be approved and adopted as the new articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association.
3. That, subject to the passing of resolution 1 above, the directors be empowered pursuant to section 570 of the Companies Act 2006 (the "**Act**") to allot equity securities wholly for cash pursuant to the authority conferred by resolution 1 above as if section 561 of the Act and any rights of pre-emption (however expressed) contained in

the articles of association of the Company or the New Articles did not apply to any such allotment (the expression "equity securities" and references to the allotment of "equity securities" bearing the same respective meanings in this resolution as in section 560 of the Act).

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

.....

Name:

..... (PRINT NAME)

For and on behalf of:

..... (COMPLETE IF MEMBER IS A COMPANY)

Date:

..... 3 April 2019

(COMPLETE IF MEMBER IS A COMPANY)

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: David Santoro
Name: DAVID SANTORO (PRINT NAME)
For and on behalf of: (COMPLETE IF MEMBER IS A COMPANY)
Date: 3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

Name:

Alex Wasserman

(PRINT NAME)

For and on behalf of:

(COMPLETE IF MEMBER IS A COMPANY)

Date:

28/3/19

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: S. Mill

Name: ST MURDOCH (PRINT NAME)

For and on behalf of: CPRODE (CF) LTD (COMPLETE IF MEMBER IS A COMPANY)

Date: 3 April 2019

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: St. Mull
Name: St. Mull (PRINT NAME)
For and on behalf of: SELF (COMPLETE IF MEMBER IS A
COMPANY)
Date: 3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

Name:

W. Almitage

WILLIAM ALMITAGE (PRINT NAME)

For and on behalf of:

(COMPLETE IF MEMBER IS A
COMPANY)

Date:

3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

W. Armitage

Name:

WILLIAM ARMITAGE (PRINT NAME)

For and on behalf of:

AS ATTORNEY TO (COMPLETE IF MEMBER IS A
MARK ARMITAGE COMPANY)

Date:

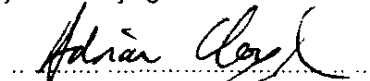
3 April 2019

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:



Name:

ADRIAN LLOYD (PRINT NAME)

For and on behalf of:

N/A (COMPLETE IF MEMBER IS A COMPANY)

Date:

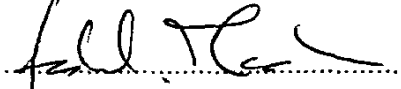
3 April 2019

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Signed:



Name:

Andrew Mackley (PRINT NAME)

For and on behalf of:

..... (COMPLETE IF MEMBER IS A COMPANY)

Date:

3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: John Bishop

Name: John Bishop, Manager (PRINT NAME)

For and on behalf of: Balderton Capital V, L.P. * (COMPLETE IF MEMBER IS A COMPANY)

Date: 3 April 2019

* acting by its general partner Balderton Capital Partners V, L.P.
acting by its general partner Balderton Capital General Partner V, LLC

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

Alexandra Markovs

Name:

ALEXANDRA MARKOVIS (PRINT NAME)

For and on behalf of:

(COMPLETE IF MEMBER IS A COMPANY)

Date:

3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:



Name.

C. H. O. ST JOHN

(PRINT NAME)

For and on behalf of:

(COMPLETE IF MEMBER IS A
COMPANY)

Date:

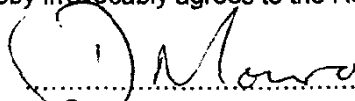
3 April 2019

AGREEMENT

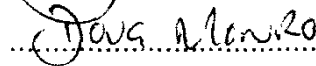
Please read the notes at the end of this document before signifying your agreement to the Resolutions.

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Signed:

.....

Name:

..... (PRINT NAME)

For and on behalf of:

..... (COMPLETE IF MEMBER IS A COMPANY)

Date:

3 April 2019.....

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

C Stewart

Name:

CAROL STEWART

(PRINT NAME)

For and on behalf of:

Sans. Investments Jersey
General Partner Limited
as general partner of Sans.
Investments (Jersey) L.P.

(COMPLETE IF MEMBER IS A
COMPANY)

Date:

29.3.19

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:


Kris Allen
Director

Name:

..... (PRINT NAME)

For and on behalf of:

Accel London IV L.P. (COMPLETE IF MEMBER IS A
COMPANY)

Date:

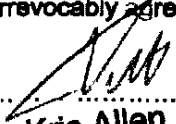
3 April 2019
.....

By Accel London Management Limited
its Manager

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: 
Name: Kris Allen (PRINT NAME)
Director
For and on behalf of: Accel London Investors 2014 LP COMPLETE IF MEMBER IS A COMPANY)
Date: 3 April 2019

by Accel London Management Limited
its Manager

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:



Name:

ROBERT CLARKE (PRINT NAME)

For and on behalf of:

(COMPLETE IF MEMBER IS A COMPANY)

Date:

3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:

Duncan Greenland

Name:

DUNCAN GREENLAND

(PRINT NAME)

For and on behalf of:

.....

(COMPLETE IF MEMBER IS A
COMPANY)

Date:

3 April 2019

.....

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed: 

Name: Matt Lewis (PRINT NAME)

For and on behalf of: (COMPLETE IF MEMBER IS A COMPANY)

Date: 3 April 2019

AGREEMENT

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The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:



Name:

...GAIL SAUSY..... (PRINT NAME)

For and on behalf of:

...Showroom S&L..... (COMPLETE IF MEMBER IS A COMPANY)

Date:

3 April 2019

NOTES

1. If you wish to vote in favour of the Resolutions please sign and date this document and return it to the Company using one of the following methods:

- (a) **by hand:** delivering the signed copy to the Company's registered office,
- (b) **by post:** returning the signed copy by post to the Company's registered office;
- (c) **by email:** by attaching a scanned copy of the signed document to an email and sending it to Emily Inglis: <emily.inglis@carwow.co.uk>. Please enter "Written resolutions" in the email subject box.

If you do not agree with the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless, within 28 days of the Circulation Date, sufficient agreement has been received from the required majority of eligible members for the Resolutions to be passed, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us on or before this date.
4. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

Company No. 07103079

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

carwow Ltd

(Adopted by a special resolution passed on 3 April 2019)

1	PRELIMINARY	1
2	SHARE CAPITAL AND LIABILITY OF MEMBERS.....	18
3	RIGHTS ATTACHING TO THE SHARES	19
4	ANTI-DILUTION PROTECTION	28
5	ISSUE OR REORGANISATION.....	35
6	TRANSFERS OF PREFERRED SHARES	35
7	GENERAL PROVISIONS RELATING TO TRANSFERS OF ORDINARY SHARES	37
8	PERMITTED TRANSFERS.....	38
9	CROWDCUBE SHARES	40
10	TRANSFERS OF ORDINARY SHARES SUBJECT TO PRE-EMPTION.....	41
11	COMPULSORY TRANSFERS OF SHARES	45
12	DRAG-ALONG TRANSFERS.....	46
13	TAG ALONG RIGHTS ON A CHANGE OF CONTROL.....	48
14	DETERMINATION OF FAIR VALUE	49
15	ISSUE OF SHARES.....	50
16	GENERAL MEETINGS.....	52
17	PROCEEDINGS AT GENERAL MEETINGS	52
18	VOTING AT GENERAL MEETINGS	53
19	NUMBER, APPOINTMENT AND REMUNERATION OF DIRECTORS	54
20	ALTERNATE DIRECTORS.....	55
21	POWERS OF DIRECTORS	56
22	DELEGATION OF DIRECTORS' POWERS.....	56
23	DISQUALIFICATION AND REMOVAL OF DIRECTORS.....	56
24	PROCEEDINGS OF DIRECTORS	57
25	DIRECTORS' INTERESTS AND CONFLICTS	58
26	NOTICES.....	60
27	CAPITALISATION.....	60
28	PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS	61
29	INDEMNITY AND INSURANCE.....	61

COMPANY NO. 07103079

COMPANIES ACT 2006
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

carwow Ltd

(Adopted by a special resolution passed on

3 April 2019)

1 PRELIMINARY

1.1 In these Articles and (where appropriate) in the Model Articles:

"A Shares"

all the A Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of A Shares shall be referred to as an **"A Shareholder"**;

"A/B Majority"

the holder or holders together from time to time of over 66.67% of the A Shares and B Shares in issue (including for these purposes any Ordinary Shares deriving from conversion of A Shares or B Shares pursuant to these Articles) treated as voting as a single class of Shares;

"Accel Investors"

Accel London IV, L.P. and Accel London Investors 2014 L.P. and each of their Permitted Transferees, successors and assigns holding more than half of the Shares held by the Accel Investors on the Adoption Date, and **"Accel Investor"** shall be construed accordingly;

"Accel Investor Director"

a director appointed as the Accel Investor Director pursuant to **article 19.2**;

"Accepting Shareholder"

has the meaning given in **article 13.5**;

"Accountants"

the accountants from time to time of the Company;

"Act"

the Companies Act 2006;

"Acting in Concert"

has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time) and for the avoidance of doubt, none of the Shareholders on the Adoption Date shall be deemed to be Acting in Concert with each other by virtue of entering into subscription agreement on or around the Adoption Date;

"Adoption Date"

the date of adoption of these Articles;

"Affiliate"

with respect to any person:

- (a) any other person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such person and for the purposes of this definition, the term **"control"** shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or agency or otherwise; or
- (b) where that person is a partnership, another partner in that partnership or a linked, related or successor partnership or fund, or any other funds managed by such partnership; or
- (c) without limiting the generality of the foregoing, in relation to a Preferred Shareholder:
 - (i) any Fund in respect of which such Preferred Shareholder (or any of its related entities including its manager, administrator or delegate or investment advisor to its general partner) is manager, adviser, administrator or delegate or investment advisor to the Fund or its general partner or owner;
 - (ii) any manager, administrator, delegate or investment advisor of any Preferred Shareholder;
 - (iii) any Affiliate Nominee of that

	Preferred Shareholder;
	(iv) which is an Affiliate Nominee, such person for whom it is a nominee, or any other Affiliate Nominee of such person;
"Affiliate Nominee"	in relation to a Preferred Shareholder, any custodian or nominee for, or company owned or controlled by any Preferred Shareholder;
"Aggregate Priority Amount"	an amount equal to the aggregate of all Priority Amounts due in respect of the Ordinary Shares in issue on the date of calculation of the Aggregate Priority Amount;
"Agreed Terms"	has the meaning given in article 10.2.1(b) ;
"AIM"	the alternative investment market of the London Stock Exchange;
"Allocation Notice"	has the meaning given in article 10.1.6 ;
"Angel Investors"	each of Simon Murdoch, Damien Lane, Adrian Lloyd, Doug Monro, Jean-Frederic Lardieg, Alex Chesterman, Will Armitage, Andrew Mackay, Duncan Greenland, Charles St John and Robert Clarke and their Permitted Transferees (each an "Angel Investor");
"Anti-Dilution Shares"	Series A Anti-Dilution Shares and/or Series B Anti-Dilution Shares and/or Series C Anti-Dilution Shares and/or Series D1/D2 Anti-Dilution Shares and/or Series D3 Anti-Dilution Shares, as the context may require;
"approved matter"	has the meaning given in article 25.2 ;
"Articles"	these articles of association or as from time to time altered or replaced;
"Asset Sale"	(a) any sale by one or more Group Companies of the whole or substantially the whole of the business and assets of the Group, or any merger or reorganisation of a Group Company; or

(b) the grant of an exclusive irrevocable license by a Group Company to a person (other than another Group Company) of all or a substantial part of the Group's intellectual property rights,

other than in connection with a sale by a Group Company of the whole or substantially the whole of its business and assets to another Group Company made as part of a *bona fide* reorganisation of the Group which is entered into with the consent of an Investor Majority;

"B Shares"

all the B Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of B Shares shall be referred to as a **"B Shareholder"**;

"Balderton"

Balderton Capital V, L.P. and any of its successors, Permitted Transferees or assigns holding more than half of the Shares held by Balderton on the Adoption Date;

"Balderton Investor Director"

a Director appointed as the Balderton Investor Director pursuant to **article 19.3**;

"Board"

the board of Directors of the Company (or, when the context requires, a subsidiary of the Company) or any committee of such board of Directors;

"Business Day"

a day other than Saturday, Sunday or a day on which banks are generally closed in the City of London;

"Buyer"

has the meaning given in **article 13.1**;

"Cause"

any of the following circumstances in respect of an employee:

- (a) gross misconduct or a material repudiatory breach of the terms of his or her contract of employment or consultancy (as the case may be) or any other agreement with the Company, including any material breach of obligations to the Company concerning confidentiality or intellectual property or non-compliance with non-compete obligations applicable during the

term of his or her contract of employment or consultancy (as the case may be);

(b) fraud, acts of dishonesty or any acts that are injurious to or materially discredit the Company or its reputation (as determined by the Directors acting reasonably);

(c) being convicted of, or entering a plea of no contest to, a criminal offence (other than driving offence carrying only a non-custodial sentence);

(d) the refusal or failure to substantially perform his duties and responsibilities to the Company lawfully prescribed to him by the Directors after reasonable notice of such failure and a reasonable opportunity to remedy such failure; or

(e) a circumstance or circumstances which constitute a material breach of any shareholders' agreement in force between the Shareholders and the Company;

"CEO"

the chief executive officer or any equivalent officer of the Company from time to time appointed pursuant to **article 19.11**;

"Clawback Notice"

a notice deemed to have been served by the Company pursuant to **articles 8.3, 8.4, 8.6 or 8.7**;

"clear days"

in relation to the period of a notice, means that period excluding the day when the notice shall be served or deemed to be served and the day for which it shall be given or on which it shall take effect;

"Company"

carwow Ltd (incorporated and registered in England and Wales under company number 07103079);

"Compulsory Purchase Notice"

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

"Compulsory Transfer"

a transfer made pursuant to and in accordance with **article 11**;

"Connected Person"	<p>in relation to a person, any other person:</p> <ul style="list-style-type: none"> (a) who is a connected person (as defined in section 1122 of the Corporation Taxes Act 2010) to the first mentioned person; or (b) with whom the first mentioned person is acting in concert (as defined in The City Code on Takeovers and Mergers);
"Controlling Interest"	ownership of the legal and/or beneficial interest or title to at least a majority of the Shares in issue taken together;
"Conversion Date"	has the meaning given in article 3.2.8 ;
"Conversion Rate"	has the meaning given in article 3.2.1 ;
"Costs of Sale"	the professional and advisory fees and expenses incurred by the Company or the Drag-Along Sellers in connection with the sale of the Company;
"C Shares"	all the C Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of C Shares shall be referred to as a "C Shareholder" ;
"Crowdcube Investors"	the owners of the beneficial title to the Crowdcube Shares from time to time;
"Crowdcube Nominee"	the owner of the legal title to the Crowdcube Shares from time to time;
"Crowdcube Shares"	all Ordinary Shares issued to the Crowdcube Nominee (beneficially owned by the Crowdcube Investors) pursuant to an offer made by the Company on the platform known as "Crowdcube";
"D1 Shares"	all the D1 Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of D1 Shares shall be referred to as a "D1 Shareholder" ;
"D2 Shares"	all the D2 Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of D2 Shares shall be referred to as a "D2 Shareholder" ;

"D3 Shares"	all the D3 Shares of £0.00001 each in the share capital of the Company in issue from time to time and a holder of D3 Shares shall be referred to as a "D3 Shareholder" ;
"D Shares"	all the D1 Shares, D2 Shares and D3 Shares and a holder of D Shares shall be referred to as a "D Shareholder" ;
"Daimler"	means Leonie PV DVB GmbH and any of its successors, Permitted Transferees or assigns holding more than half of the Shares held by Daimler on the Adoption Date;
"Daimler Investor Director"	a director appointed as the Daimler Investor Director pursuant to article 19.6 ;
"Default Shares"	has the meaning given in article 7.3 ;
"Directors"	the directors from time to time of the Company (or, where the context requires, of any subsidiary of the Company from time to time) (and "Director" shall be construed accordingly);
"Drag-Along Purchaser"	has the meaning given in article 12.1 ;
"Drag-Along Sellers"	has the meaning given in article 12.1 ;
"Drag-Along Transfer"	a transfer made pursuant to and in accordance with article 12 ;
"Drag Completion Date"	has the meaning given in article 12.4 ;
"Drag Document"	has the meaning given in article 12.4 ;
"Drag Price"	has the meaning given in article 12.11 ;
"Episode 1"	Episode 1 Investments LP and any of its successors, Permitted Transferees or assigns holding more than half of the Shares held by Episode 1 on the Adoption Date;
"Episode 1 Investor Director"	a Director appointed as the Episode 1 Investor Director pursuant to article 19.3 ;

"Equalisation Amount"	an amount equal to the highest Priority Amount on the date of calculation of the Equalisation Amount multiplied by the total number of Ordinary Shares in issue on that date;
"Excess Shares"	in relation to a Preferred Shareholder, Sale Preferred Shares or Sale Shares (as the case may be) in excess of his Preferred Shareholder Proportion;
"executed"	includes any mode of execution;
"Exercising A Investor"	has the meaning given in article 4.1 ;
"Exercising B Investor"	has the meaning given in article 4.3 ;
"Exercising C Investor"	has the meaning given in article 4.5 ;
"Exercising D1/D2 Investor"	has the meaning given in article 4.7 ;
"Exercising D3 Investor"	has the meaning given in article 4.9 ;
"Exit"	a Sale, Asset Sale or Listing;
"Expert"	the Accountants, or in the event that the Accountants are unable or unwilling to act, an independent firm of chartered accountants chosen by agreement between the Company and the relevant Shareholder or Shareholders, or in the event that they are unable to agree within 5 Business Days, a firm of chartered accountants nominated by the President for the time being of the Institute of Chartered Accountants of England and Wales (in each case acting as experts and not as arbitrators);
"Extra Shares"	has the meaning given in article 15.2 ;
"Fair Value"	shall be as determined in article 13 ;
"Family Trust"	as regards any particular individual Shareholder or deceased or former individual Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is

for the time being vested in any person other than the individual Shareholder and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income of such Share is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred by such terms on any person or persons;

"Founders"

each of James Hind, Alexandra Margolis and David Santoro, and **"Founder"** shall be construed accordingly;

"Fully Diluted Share Capital of the Company"

on any particular date, all Shares in issue on that date and all Shares issuable pursuant to options, warrants or other rights granted as at that date to subscribe for, purchase or convert into Shares;

"Fund"

any investment fund, collective investment scheme or unit trust or other investment vehicle (howsoever structured);

"Group"

the Company, its holding company, its subsidiaries and subsidiary undertakings and subsidiaries and subsidiary undertakings of its holding company from time to time and **"Group Company"** means any one of them from time to time;

"Group Company Interest"

has the meaning given in **article 25.3**;

"Highest PA Shares"

on any date, those Ordinary Shares which have the highest Priority Amount then payable by reference to all Priority Amounts payable in respect of all Ordinary Shares then in issue;

"holder"

in relation to Shares means the Shareholder whose name is entered in the register of Shareholders of the Company as the holder of the Shares;

"In Breach"

in respect of each of the Founders, means where he/she is (i) dismissed for Cause or (ii) in breach of any of the restrictive

	covenants in respect of the Company, whether contained in his/her service agreement on the Adoption Date or; any shareholders' agreement relating to the Company (or would be so in breach if such restrictive covenants were to last in perpetuity);
"Independent Director"	any director appointed from time to time pursuant to article 19.9 ;
"Initial Offer"	shall bear the meaning set out in article 15.2 ;
"Institutional Investor"	each of the Accel Investors, Balderton, Daimler, Episode 1, Samos and Vitruvian;
"Investor Director"	the Director appointed as an Accel Investor Director pursuant to article 19.2 , a Balderton Investor Director pursuant to article 19.3 , an Episode 1 Investor Director pursuant to article 19.4 , a Vitruvian Investor Director pursuant to article 19.5 and/or a Daimler Investor Director pursuant to article 19.6 , as the case may require;
"Investor Majority"	any two of (a) an A/B Majority; (b) a Series C Majority; or (c) a Series D Majority;
"Investor Majority Reserved Matters"	has the meaning given in article 3.4 ;
"Investor Observer"	any person appointed from time to time pursuant to article 19.15 ;
"Investor Super Majority"	each of (a) an A/B Majority; (b) a Series C Majority; and (c) a Series D Majority;
"Investor Super Majority Reserved Matters"	has the meaning given in article 3.5 ;
"Issue" or "Reorganisation"	any return of capital, issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Preferred Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares (other than Preferred Shares) or any variation in the subscription price or conversion rate applicable to any other

outstanding shares of the Company in each case other than shares issued as a result of the events set out in **article 15.6**;

"Listing"

the listing or admission to trading of all or any shares in any Group Company or depositary receipts representing any such shares on or to any Recognised Investment Exchange or Overseas Investment Exchange (as those terms are defined in the Financial Services and Markets Act 2000) or AIM or NASDAQ or the offering to the public of any such shares or depositary receipts representing any such shares in any jurisdiction;

"Manager"

James Hind;

"Member Applicant"

has the meaning given in **article 10.1.6**;

"Member of the same Group"

as regards any body corporate, any other body corporate which is from time to time a holding company, parent undertaking or subsidiary of such body corporate, or a subsidiary of any such parent undertaking of such body corporate;

"Memorandum"

the memorandum of association of the Company, as amended from time to time;

"Minority Shareholder"

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

"Model Articles"

the model articles for private companies contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Adoption Date;

"NASDAQ"

the NASDAQ Global Market of the NASDAQ OMX Group, Inc.;

"Net Proceeds"

has the meaning given in **article 3.1.1**;

"New Securities"

any Shares or other securities convertible into, or carrying the right to subscribe for those Shares, issued by the Company after the Adoption Date (other than Shares or securities issued as a result of the events set out in **article 15.6**);

"New Shareholder"	has the meaning given in article 12.10 ;
"Non-Participating Investor"	has the meaning given in article 10.2.1 ;
"Offer"	has the meaning given in article 13.2 ;
"Offer Notice"	has the meaning given in article 13.3 ;
"Offer Shares"	has the meaning given in article 15.2
"Ordinary Director"	a Director appointed an Ordinary Director pursuant to article 19.4 ;
"Ordinary Excess Shares"	in relation to an Ordinary Shareholder, Sale Shares in excess of his Ordinary Shareholder Proportion;
"Ordinary Majority"	the holder or holders together from time to time of over 50 per cent of the Ordinary Shares in issue (excluding the Crowdcube Nominee and the Crowdcube Investors);
"Ordinary Shareholder"	any holder of Ordinary Shares;
"Ordinary Shareholder Proportion"	in relation to an Ordinary Shareholder, his pro rata entitlement (as nearly as may be) to Sale Shares based on the number of Ordinary Shares held by such Ordinary Shareholder as a proportion of the total number of Ordinary Shares then in issue (but excluding, where article 10 applies, the total number of Ordinary Shares held by the Selling Shareholder);
"Ordinary Shares"	the ordinary shares of £0.00001 each in the share capital of the Company in issue from time to time;
"Permitted Transfer"	a transfer of Shares authorised by article 8 ;
"Permitted Transferee"	a person to whom or which Shares have been, or may be, transferred pursuant to a Permitted Transfer;
"Preferred Allocation Notice"	has the meaning given in article 6.5 ;
"Preferred Member Applicant"	has the meaning given in article 6.5 ;

"Preferred Share Transfer Notice"	has the meaning given in article 6.2;
"Preferred Share Transfer Price"	has the meaning given in article 6.2.4;
"Preferred Shares"	A Shares and/or B Shares and/or C Shares and/or D Shares, as the case may require;
"Preferred Shareholder"	any holder for the time being of Preferred Shares;
"Preferred Shareholder Proportion"	in relation to a Preferred Shareholder, his pro rata entitlement (as nearly as may be) to Sale Preferred Shares or Sale Shares based on the number of Preferred Shares held by such Preferred Shareholder as a proportion of the total number of Preferred Shares then in issue (but excluding, where article 6 applies, the total number of Preferred Shares held by the Selling Preferred Shareholder);
"Priority Amount"	for an Ordinary Share means the aggregate of (i) the Subscription Price of that Ordinary Share (or the Subscription Price of the Preferred Share from which that Ordinary Share derives); and (ii) any arrears or accruals of dividend (if any) on that Ordinary Share (as the case may be) due or declared but unpaid down to the date of the relevant return of assets;
"Privileged Relation"	in relation to an individual Shareholder or deceased or former individual Shareholder the sibling, civil partner, husband or wife or the widower or widow of such Shareholder and all the lineal descendants and ascendants in direct line of such Shareholder and a civil partner, husband or wife or widower or widow of any of the above persons and for such purposes, a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant;
"Proportionate Allocation"	has the meaning given in article 15.2;
"Proposed Transfer"	has the meaning given in article 13.1;
"Purchasing Shareholders"	has the meaning given in article 10.2.1;

"Qualifying A Issue"	has the meaning given in article 4.1;
"Qualifying B Issue"	has the meaning given in article 4.3;
"Qualifying C Issue"	has the meaning given in article 4.5;
"Qualifying D1/D2 Issue"	has the meaning given in article 4.7;
"Qualifying D3 Issue"	has the meaning given in article 4.9;
"Qualifying Listing"	means a Listing (i) in which the net aggregate subscription amount in respect of new Ordinary Shares issued at the time of the Listing is not less than £50,000,000 at an issue price per Ordinary Share of at least three times the Series D1/D2 Issue Price (subject to appropriate adjustment following any Bonus Issue or Reorganisation); or (ii) which is specifically approved by the Board and an Investor Super Majority as such;
"Recipient"	has the meaning given in article 30.1;
"Recipient Group Company"	has the meaning given in article 30.2.1;
"Reserved Matters"	has the meaning given in article 3.4 (Reserved Matters);
"Sale"	the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
"Sale Date"	has the meaning given in article 13.3;
"Sale Preferred Shares"	has the meaning given in article 6.2;
"Sale Shares"	has the meaning given in article 10.1.1;

"Samos"	Samos Investments (Jersey) LP and any of its successors, Permitted Transferees or assigns holding more than half of the Shares held by Samos on the Adoption Date;
"Security Interest"	any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption (other than pursuant to these Articles)) or any mortgage, charge, pledge, lien or assignment, or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property;
"Sellers"	has the meaning given in article 13.1 ;
"Selling Preferred Shareholder"	has the meaning given in article 6.2 ;
"Selling Shareholder"	has the meaning given in article 10.1.1 ;
"Series A Anti-Dilution Shares"	has the meaning given in article 4.1 ;
"Series B Anti-Dilution Shares"	has the meaning given in article 4.3 ;
"Series C Anti-Dilution Shares"	has the meaning given in article 4.5 ;
"Series D1/D2 Anti-Dilution Shares"	has the meaning given in article 4.7 ;
"Series D3 Anti-Dilution Shares"	has the meaning given in article 4.9 ;
"Series C Issue Price"	£1.3386 per C Share which is not an Anti-Dilution Share (if applicable, adjusted as referred to in article 5 to reflect any Issue or Reorganisation);
"Series C Majority"	the holder or holders together from time to time of over 50 per cent of the C Shares in issue (including for these purposes any Ordinary Shares deriving from conversion of C Shares pursuant to the these Articles);
"Series D1/D2 Issue Price"	£2.60492 per D1 Share and D2 Share which is not an Anti-Dilution Share (if applicable, adjusted as referred to in article 5 to

	reflect any Issue or Reorganisation);
"Series D3 Issue Price"	£3.22841 per D3 Share which is not an Anti-Dilution Share (if applicable, adjusted as referred to in article 5 to reflect any Issue or Reorganisation);
"Series D Majority"	the holder or holders together from time to time of over 50 per cent of the D1, D2 and D3 Shares in issue (including for these purposes any Ordinary Shares deriving from conversion of D Shares pursuant to the these Articles);
"Series D1/D2 Majority"	the holder or holders together from time to time of over 50 per cent of the D1 and D2 Shares in issue (including for these purposes any Ordinary Shares deriving from conversion of D Shares pursuant to the these Articles);
"Series D1/D2 Majority Reserved Matters"	Majority has the meaning given in article 3.6;
"Series D3 Majority"	the holder or holders together from time to time of over 50 per cent of the D3 Shares in issue (including for these purposes any Ordinary Shares deriving from conversion of D Shares pursuant to the these Articles);
"Series D3 Majority Reserved Matters"	has the meaning given in article 3.7;
"Share" or "Shares"	any share or shares in the capital of the Company, whether in existence at the Adoption Date or subsequently issued;
"Shareholder"	any holder for the time being of a Share or Shares;
"Specified Price"	has the meaning given in article 13.2;
"Subscription Price"	<p>in relation to any Share the amount paid up or credited as paid up on such Share (including the full amount of any premium at which such share was issued or deemed to be issued), and provided that:</p> <p>(a) the Subscription Price of those 16,306 B Shares arising from the conversion of 16,306 Ordinary Shares into and re-designation as B</p>

Shares on 17 December 2014 shall be deemed to be the same amount as the Subscription Price at which B Shares were issued on 17 December 2014 (if applicable, adjusted as referred to in article 5 to reflect any Issue or Reorganisation);

- (b) the Subscription Price of all C Shares; shall be the Series C Issue Price;
- (c) the Subscription Price of all D1 Shares and D2 Shares shall be the Series D1/D2 Issue Price;
- (d) the Subscription Price of all D3 Shares shall be the Series D3 Issue Price; and
- (e) the Subscription Price of an Ordinary Share arising on the conversion of a Preferred Share shall be the Subscription price of that Preferred Share,

SAVE THAT, in each case, the Subscription Price of an Anti-Dilution Share shall be zero;

"Tag-Along Offer Shares"

has the meaning given in **article 13.3.4**;

"Third-Party Purchaser"

has the meaning given in **article 10.1.9**;

"Transfer Notice"

has the meaning given in **article 10.1.2**;

"Transfer Price"

has the meaning given in **article 10.1.2**; and

"Vitruvian"

Showroom S.à.r.l. and any of its successors, Permitted Transferees or assigns holding more than half of the Shares held by Vitruvian on the Adoption Date;

"Vitruvian Investor Director"

a Director appointed as a Vitruvian Investor Director pursuant to **article 19.5**;

"Weighted Average Price"

means, in relation to a class of Preferred Share, the Subscription Price of that Preferred Share, provided that following each application of the provisions of **article 4** in relation to that Preferred Share, the Weighted Average Price of that Preferred

Share shall be adjusted to be an amount calculated by dividing the aggregate Subscription Price of all Preferred Shares of that class by the number of Preferred Shares of that class (including any previously issued Anti-Dilution Shares); and

"Whole Interest"

in relation to a Share, the entire legal and beneficial interest in and rights in respect of such Share.

- 1.2 A reference to any statute or statutory provision is to be construed as a reference to such statute or provision as amended, consolidated or re-enacted from time to time and to any orders, regulations, instruments or other subordinate legislation (and relevant codes of practice) made under the relevant statute for the time being in force.
- 1.3 Unless the context otherwise requires:
 - 1.3.1 words in the singular include the plural, and vice versa;
 - 1.3.2 words importing one gender include the other gender;
 - 1.3.3 a reference to a person includes a reference to a body corporate and to an unincorporated body of persons; and
 - 1.3.4 unless otherwise defined in these Articles, words or expressions contained in these Articles bear the same meaning as in the Act.
- 1.4 The headings are inserted for convenience only and do not affect the construction of these Articles.
- 1.5 Any reference in these Articles to a Shareholder shall be deemed to include a reference to their Permitted Transferees, unless the context requires otherwise.
- 1.6 The following articles of the Model Articles shall not apply to the Company: 3 to 5 (inclusive), 8 to 14 (inclusive) 16 to 19 (inclusive), 21 to 23 (inclusive), 24(2)(c), 26(5), 27, 28, 29, 38, 40 to 46 (inclusive), 48 and 50 to 53 (inclusive). In addition to the remaining regulations of the Model Articles as varied by the provisions of these Articles, the following shall be the Articles of the Company. If there is any inconsistency between these Articles and Model Articles, the provisions of these Articles shall prevail.

2 SHARE CAPITAL AND LIABILITY OF MEMBERS

- 2.1 The Shares shall entitle the holders of those Shares to the rights and privileges and subject them to the restrictions and provisions set out in these Articles.
- 2.2 The rights conferred upon the holders of Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* with or senior to the Shares of that class.

- 2.3 Except as required by law, and even when the Company shall have express notice of that fact, no person shall be recognised by the Company as holding any Share upon any trust and (except for the Crowdcube Shares and the Crowdcube Nominee or as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety of such Share in the holder.
- 2.4 The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.
- 2.5 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 2.6 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 2.7 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 2.8 Subject to the Act, the Company may purchase its own Shares with cash to the extent permitted by section 692(1ZA) of the Act.

3 RIGHTS ATTACHING TO THE SHARES

3.1 Capital

The Preferred Shares and Ordinary Shares shall be entitled to the following capital rights:

- 3.1.1 on a return of assets on a liquidation, return of capital (other than a conversion, redemption or repurchase of Shares) the assets of the Company remaining after payment of its liabilities ("**Net Proceeds**") shall be distributed as follows:
- (i) first, to each holder of D1 Shares and D3 Shares, in priority to all other Shareholders, an amount per D1 Share and D3 Share held by it (or any Shares derived therefrom) equal to the Subscription Price for each such D1 Share and D3 Share (as applicable) plus any arrears or accruals of dividend (if any) on the D1 Shares and D3 Shares provided that if there are insufficient Net Proceeds to pay such amounts in full, the available Net Proceeds shall be distributed to the D1 Shareholders and D3 Shareholders pro rata to their respective entitlement to such amounts;
 - (ii) second, to the holders of the Preferred Shares (other than the D1 Shares and D3 Shares), in priority to all other Shareholders, an amount equal to the aggregate Subscription Price for their Preferred Shares (other than the D1 Shares and D3 Shares) plus any arrears or accruals of dividend (if any) on the Preferred Shares (other than the D1 Shares and D3 Shares) (as the case

may be) due or declared but unpaid down to the date of the return of assets, such payment to be shared pro rata to the aggregate Subscription Price of the Preferred Shares (other than the D1 Shares and D3 Shares) plus any arrears or accruals of dividend due on such Preferred Shares (other than the D1 Shares and D3 Shares) held by them respectively and provided that if there are insufficient Net Proceeds to pay such amounts to all holders of Preferred Shares (other than the D1 Shares and D3 Shares) in full, the available Net Proceeds shall be distributed to the holders of Preferred Shares (other than the D1 Shares and D3 Shares) in proportion to the aggregate Subscription Price of such Preferred Shares (other than any D1 Shares and D3 Shares) held by them and arrears or accruals of dividend due to them respectively;

(iii) third:

- (1) if the balance of the Net Proceeds is less than the Aggregate Priority Amount, to the holders of the Ordinary Shares (including, for the avoidance of doubt, any Ordinary Shares arising from conversion of Preferred Shares under **article 3.2**):
 - (A) an amount equal to the Subscription Price for their Ordinary Shares (or in the event of the sub-division and/or redesignation of the Ordinary Shares, the Subscription Price originally paid for each Ordinary Share from which the Shares arising on such sub-division and/or redesignation derive), such payment to be shared pro rata in accordance with the amount subscribed or deemed subscribed (including premium) for such Ordinary Shares; and
 - (B) then an amount equal to any declared but unpaid dividends, such payment to be shared in proportion to the number of Ordinary Shares held by them respectively;
- (2) if the balance of the Net Proceeds is equal to or more than the Equalisation Amount, to the holders of Ordinary Shares (including, for the avoidance of doubt, any Ordinary Shares arising from conversion of Preferred Shares under **article 3.2**), an amount equal to the balance of the Net Proceeds, such payment to be shared in proportion to the number of Ordinary Shares held by them respectively;
- (3) if the balance of the Net Proceeds is more than the Aggregate Priority Amount but less than the Equalisation Amount, such balance of Net Proceeds shall be distributed to the holders of

Ordinary Shares (including, for the avoidance of doubt, any Ordinary Shares arising from conversion of Preferred Shares under **article 3.2**) as follows:

- (A) an amount equal to the Priority Amount in respect of his Ordinary Shares and the balance of the Net Proceeds shall be distributed in accordance with **article 3.1.1(iii)(3)(B)**;
- (B) the remaining Net Proceeds shall be distributed to the holders of Ordinary Shares in respect of which the lowest Priority Amount is payable, such payment to be shared in proportion to the number of such Ordinary Shares held by them respectively, until such time as the aggregate of the Priority Amount in respect of such Ordinary Shares, and the amounts paid in accordance with this **article 3.1.1(iii)(3)(B)** is equal to the next lowest Priority Amount thereafter and the balance of the Net Proceeds shall be distributed in accordance with **article 3.1.1(iii)(3)(C)**;
- (C) the remaining Net Proceeds shall be distributed to the holders of Ordinary Shares in respect of which the lowest Priority Amount and the next lowest Priority Amount is payable, such payment to be shared in proportion to the number of such Ordinary Shares held by them respectively, until such time as the aggregate of the Priority Amount in respect of such Ordinary Shares, and the amounts paid in accordance with **articles 3.1.1(iii)(3)(B)** and **this article 3.1.1(b)(iii)(3)(C)** is equal to the next lowest Priority Amount thereafter and so on until the holders of Ordinary Shares (other than in respect of the Highest PA Shares) have received aggregate amounts equal to the Priority Amount payable in respect of the Highest PA Shares;
- (D) the holders of the Highest PA Shares shall not be entitled to receive any payment under this **article 3.1.1(iii)** other than the Priority Amount in respect of those Highest PA Shares pursuant to **article 3.1.1(b)(iii)(3)(A)**,

and provided that if there are insufficient Net Proceeds to pay all amounts due under any of the provision of **article 3.1.1(iii)(1)** or **3.1.1(ii)** to all holders of Ordinary Shares in full, the

available Net Proceeds shall be distributed to the holders of Ordinary Shares entitled to those Net Proceeds under the relevant provision of **article 3.1.1(iii)** or **3.1.1(iii)** in proportion to the Subscription Price of the Ordinary Shares held by them (or, in the case of **article 3.1.1(iii)(1)(B)**, in proportion to the amount of arrears or accruals of dividend due to them).

- 3.1.2 in the event of a Sale, the proceeds of such Sale (net of any costs associated with such Sale) shall be distributed between the Shareholders in the manner set out in **article 3.1.1** as if the same constituted a liquidation of the Company, and as if such proceeds constituted the Net Proceeds of such liquidation;
- 3.1.3 on an Asset Sale the Company shall (insofar as it is lawfully able) as soon as practicable distribute (whether by means of dividend or otherwise) to the Shareholders the proceeds of such Asset Sale (after payment of the Company's liabilities, including any costs associated with such Asset Sale) and those proceeds shall be distributed between the Shareholders in the manner set out in **article 3.1.1** as if the same constituted a liquidation of the Company, and as if such proceeds constituted the Net Proceeds of such liquidation;
- 3.1.4 on any Listing where each D Shareholder would not otherwise receive (at the offer/placing price of the Listing) in respect of the D Shares held by it (or any Shares derived therefrom) an amount at least equal to 1x the Subscription Price for each such D Share plus any arrears or accruals of dividends (if any) on the D Shares, each D Share shall convert into an Ordinary Share in accordance with **article 3.2** and the Company shall issue to each D Shareholder such number of Ordinary Shares such that the aggregate valuation of the D Shares held by it (or any Shares derived therefrom) plus such additional Ordinary Shares shall, at the offer/placing price of the Listing, have an aggregate valuation equal to the sum of (a) 1x the Subscription Price of the D Shares held by it (or any Shares derived therefrom); and (b) any accruals of dividends on the D Shares.
- 3.1.5 Any additional Ordinary Shares issuable pursuant to **article 3.1.4** shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and those additional Ordinary Shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the D Shareholders shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to **article 3.1.4**.

3.2 Conversion

- 3.2.1 Immediately on the request in writing, at any time, by a Preferred Shareholder, such number of his Preferred Shares as such Preferred Shareholder shall specify shall on the date of such request

automatically be converted into and redesignated as Ordinary Shares at the rate of one Ordinary Share for every Preferred Share ("**Conversion Rate**", subject to adjustment in accordance with **articles 3.2.12** and/or **3.1.4**).

- 3.2.2 Immediately on the request in writing, at any time, by an A/B Majority, all of the A Shares and B Shares then in issue shall, regardless of whether they are held by the A/B Majority or any other A Shareholder or B Shareholder not being one of the A/B Majority, on the date of such request automatically be converted into and redesignated as Ordinary Shares at the Conversion Rate.
- 3.2.3 Immediately on the request in writing, at any time, by a Series C Majority, all of the C Shares then in issue shall, regardless of whether they are held by the Series C Majority or any other C Shareholder not being one of the Series C Majority, on the date of such request automatically be converted into and redesignated as Ordinary Shares at the Conversion Rate.
- 3.2.4 Immediately on the request in writing, at any time, by a Series D1/D2 Majority, all of the D1 Shares and D2 Shares then in issue shall, regardless of whether they are held by the Series D1/D2 Majority or any other D1 Shareholder or D2 Shareholder not being one of the Series D1/D2 Majority, on the date of such request automatically be converted into and redesignated as Ordinary Shares at the Conversion Rate.
- 3.2.5 Immediately on the request in writing, at any time, by a Series D3 Majority, all of the D3 Shares then in issue shall, regardless of whether they are held by the Series D3 Majority or any other D3 Shareholder not being one of the Series D3 Majority, on the date of such request automatically be converted into and redesignated as Ordinary Shares at the Conversion Rate.
- 3.2.6 All of the Preferred Shares shall automatically convert into Ordinary Shares at the Conversion Rate immediately upon the occurrence of a Qualifying Listing.
- 3.2.7 In respect of **articles 3.2.2** to **3.2.6** (inclusive), any Anti-Dilution Shares that are deemed to convert at the same time, shall only be converted at the same time as the rest of the relevant share class.
- 3.2.8 The "**Conversion Date**" for the purposes of this **article 3.2** means, depending upon whether conversion to take place pursuant to **articles 3.2.1, 3.2.2, 3.2.3** or **3.2.4** the date upon which the Preferred Shares are to be converted into Ordinary Shares as specified in the applicable article. Where conversion is mandatory on the occurrence of a Qualifying Listing under **article 3.2.6**, that conversion will be effective only immediately prior to and conditional upon such Qualifying Listing (and the Conversion Date shall be construed accordingly) and, if such Qualifying Listing does not become effective or does not take place such conversion shall be deemed not to have occurred.
- 3.2.9 The Ordinary Shares arising on such conversion and redesignation shall rank *pari passu* with the Ordinary Shares then in issue and fully paid up and shall entitle the holders of the Ordinary Shares to all

dividends and other distributions declared, made or paid on the Ordinary Shares by reference to any record date occurring after the Conversion Date.

3.2.10 If the Ordinary Shares or the Preferred Shares are consolidated or sub-divided, then the number of Ordinary Shares into which Preferred Shares are to be converted and redesignated shall be reduced or increased accordingly and if any doubt arises as to the number of them the certificate of the opinion of the Expert shall be conclusive and binding save in the case of manifest error.

3.2.11 If the Company shall make any capital distribution to the holders of Ordinary Shares (but not to the holders of Preferred Shares), then the Conversion Rate shall be adjusted accordingly by such amount determined to be appropriate by the Expert, whose certificate shall be conclusive and binding save in the case of manifest error. For the purposes of this **article 3.2.11 "capital distribution"** means:

(a) any distribution of capital profits (whether realised or not) or capital reserves, except by means of a capitalisation issue made in the form of fully paid Ordinary Shares in relation to which an adjustment pursuant to **article 3.2.12** is made; or

(b) a repayment of capital or purchase of the Company's own Ordinary Shares (other than a redemption or purchase of redeemable shares in accordance with the terms of issue of such shares).

3.2.12 If there is an allotment of Ordinary Shares (which shall only be allotted fully paid), whether pursuant to a capitalisation of profits or reserves (including share premium account and capital redemption reserve) to holders of Ordinary Shares while any Preferred Shares remain capable of being converted into Ordinary Shares, then the number of Ordinary Shares to be issued on conversion of Preferred Shares after that allotment shall be increased by a corresponding adjustment of the Conversion Rate to reflect the percentage increase in the Ordinary Shares in issue.

3.2.13 In the case of:

(a) **article 3.2.1, article 3.2.2, article 3.2.3 and article 3.2.4**, upon the Conversion Date; and

(b) **article 3.2.6** at least five Business Days prior to the occurrence of the Qualifying Listing,

each holder of Preferred Shares shall deliver to the Company at its registered office the certificates for his Preferred Shares and upon such delivery there shall be issued to him a certificate for the number of Ordinary Shares resulting from the conversion and re-designation of his Preferred Shares.

3.3 **Income**

All Shares shall rank *pari passu* in respect of dividends, and dividends shall be paid *pro rata* according to the number of Shares held by each Shareholder

respectively (in the case of Preferred Shares, as though they had been fully converted into Ordinary Shares in accordance with **article 3.2**).

3.4 **Investor Majority Reserved Matters**

Any of the matters listed below (the "**Investor Majority Reserved Matters**") shall require the prior written consent of an Investor Majority. The expression 'the Company' or any matter or item relating to the Company in the Investor Majority Reserved Matters shall include any subsidiary of the Company from time to time or any matter or item relating to such a subsidiary, respectively, to the intent and effect that each of the provisions of this **article 3.4** shall apply in relation to each subsidiary as they apply in relation to the Company.

The Investor Majority Reserved Matters are as follows:

- 3.4.1 the creation, allotment, issue, redemption, reduction, purchase or re-purchase, or the exercise by the Company of a contractual right of first refusal in respect of Shares (other than in accordance with the terms of a contract or employee share option plan which has previously been approved by the Investor Majority) of any Shares, securities or stock (including convertible securities);
- 3.4.2 the grant (or agreement to grant) to any person of any option (other than grants of options over Shares pursuant to an employee share option plan the terms of which have been approved by an Investor Majority, provided that any such grant does not cause any limit agreed with an Investor Majority on the number of Shares allocated to such plan to be exceeded), warrant or right to call for the issue of any Shares, securities or stock (including convertible securities);
- 3.4.3 a Qualifying Listing, Sale or an Asset Sale or engaging any broker, adviser (including without limitation, financial, auditing, accounting or legal), investment bank or similar party to provide in services in relation to such an event;
- 3.4.4 the creation or adoption of any option scheme, plan or other similar arrangement relating to Shares which benefits or may benefit any officers and/or employees and/or consultants of the Company or the creation or amendment of the rules of any such scheme or plan;
- 3.4.5 any amendment of or alteration to the Memorandum or Articles (including adoption of new Articles), or passing of any special resolution or passing of any resolution for winding-up of the Company;
- 3.4.6 any change to the number of Directors of the Company or any rights to appoint any such persons, provisions relating to the calling of or proceedings at meetings of the Board or any committee of it, voting, transfer provisions, appointment and removal of Directors, provisions concerning the power of Directors, provisions as to notices or winding up;
- 3.4.7 the liquidation, dissolution or winding up of the Company or any member of the Group, either voluntarily or involuntarily or the filing of any petition for the appointment of an administrator or liquidator or the making of an invitation to any person to appoint an administrative

receiver or the entering into of any compromise or arrangement to which the Act or the Insolvency Act 1986 applies;

- 3.4.8 the entry into any agreement providing a Shareholder with registration rights allowing that Shareholder to require the Company to register all or a portion of such Shareholder's holding of Shares with the United States Securities and Exchange Commission pursuant to the United States Securities Act of 1933, as amended, for the purpose of allowing such Shares to be sold to the public in the United States;
- 3.4.9 taking any action that results in the Company (i) incurring or assuming indebtedness in excess of £50,000, or in excess of an aggregate amount of £200,000 in any period of 12 months, save to the extent such indebtedness was expressly provided for in a budget relating to the Company which was approved by an Investor Majority or (ii) providing a guarantee, pledge or other form of security for any indebtedness;
- 3.4.10 making any fundamental change in the nature of the Company's business as at the Adoption Date or do any act or thing outside the ordinary course of business carried on by it;
- 3.4.11 approving or making any material variation to any business plan of the Company or departing from the general strategies, policies or plans laid out in such business plan;
- 3.4.12 approving or making any material variation to any annual budget of the Company;
- 3.4.13 acquiring the whole or any part of the undertaking of any other person or merge the Company or any part of its business with any other person;
- 3.4.14 taking any action that results in the creation of a subsidiary;
- 3.4.15 selling other than in the ordinary course of business in any transaction or series of related transactions any asset or assets of the Company which constitutes ten per cent. (10%) or more of the then current aggregate fair market value of all of such company's assets ("**10% of the Company's Assets**"); provided that where the asset or assets to be sold do not constitute 10% of the Company's Assets, such sale shall be at a price of not less than the fair market value of such asset or assets, as such price would be determined in an arm's length transaction in an open market on commercially reasonable terms;
- 3.4.16 making any loan to, or repaying or guaranteeing any obligation owed by or to, the Company's officers, Directors or employees, other than reimbursements for travel, relocation (incurred in good faith in connection with the recruitment of such person), entertainment and other similar expenses in the ordinary course of business and other than the Disclosed Loans;
- 3.4.17 incurring any capital expenditure in respect of the Company on any one item or series of related items in excess of £100,000 in any twelve (12)-month period, save to the extent that any such

expenditure was expressly provided for in an annual budget relating to the Company which was approved by an Investor Majority;

- 3.4.18 hiring, or increasing by more than ten per cent. (10%) the remuneration of, any Director (other than the hiring of an Investor Director), CEO, Chief Financial Officer or other officer of the Company with a salary that exceeds £100,000 per year; and
- 3.4.19 in relation to any Director, the authorisation of any matter which would otherwise result in such Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties).

3.5 **Investor Super Majority Reserved matters**

Any of the matters listed below (the "**Investor Super Majority Reserved Matters**") shall require the prior written consent of an Investor Super Majority. The expression 'the Company' or any matter or item relating to the Company in the Investor Super Majority Reserved Matters shall include any subsidiary of the Company from time to time or any matter or item relating to such a subsidiary, respectively, to the intent and effect that each of the provisions of this **article 3.5** shall apply in relation to each subsidiary as they apply in relation to the Company.

The Investor Super Majority Reserved Matters are as follows:

- 3.5.1 the grant of any options over Shares pursuant to an employee share which causes any limit agreed with an Investor Super Majority on the number of Shares allocated to such plan to be exceeded;
- 3.5.2 the reorganisation, sub-division, consolidation, redesignation or other variation of any Shares or stock in the Company in any way or the variation of any rights, preferences or privileges attaching to any Shares or stock in the Company or any agreement to do any of the foregoing;
- 3.5.3 the declaration or payment of any dividend or other distribution;
- 3.5.4 a Listing which is not a Qualifying Listing;
- 3.5.5 entering into or varying or terminating any transaction with, or for the benefit of any Director or Shareholder or any other person who is a Connected Person of any Director or Shareholder.

3.6 **Series D1/D2 Majority Reserved matters**

Any of the matters listed below (the "**Series D1/D2 Majority Reserved Matters**") shall require the prior written consent of a Series D1/D2 Majority. The expression 'the Company' or any matter or item relating to the Company in the Series D1/D2 Majority Reserved Matters shall include any subsidiary of the Company from time to time or any matter or item relating to such a subsidiary, respectively, to the intent and effect that each of the provisions of this **article 3.6** shall apply in relation to each subsidiary as they apply in relation to the Company.

The Series D1/D2 Majority Reserved Matters are as follows:

- 3.6.1 subject to **article 2.2**, the amendment or variation of any of the rights attaching to the D1 Shares or D2 Shares which adversely affects the holders of the D1 Shares or D2 Shares; and
- 3.6.2 the amendment, removal or waiver of this **article 3.6**.

3.7 Series D3 Majority Reserved matters

Any of the matters listed below (the "**Series D3 Majority Reserved Matters**") shall require the prior written consent of a Series D3 Majority. The expression 'the Company' or any matter or item relating to the Company in the Series D3 Majority Reserved Matters shall include any subsidiary of the Company from time to time or any matter or item relating to such a subsidiary, respectively, to the intent and effect that each of the provisions of this **article 3.7** shall apply in relation to each subsidiary as they apply in relation to the Company.

The Series D3 Majority Reserved Matters are as follows:

- 3.7.1 subject to **article 2.2**, the amendment or variation of any of the rights attaching to the D3 Shares only which adversely affects the holders of the D3 Shares; and
- 3.7.2 the amendment, removal or waiver of this article 3.7.

4 ANTI-DILUTION PROTECTION

- 4.1 Subject to **article 4.11**, if New Securities are issued by the Company at a price per New Security which equates to less than the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price relating to an A Share (a "**Qualifying A Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Accountants acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Investor Majority shall have specifically waived the rights of all of the holders of the A Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of A Shares (the "**Exercising A Investor**") the right to receive such number of new A Shares by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with **article 5** (the "**Series A Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

N =	Number of Series A Anti-Dilution Shares to be issued to the Exercising A Investor;
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WA =	$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
SIP =	the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price;
ESC =	the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying A Issue;
QISP =	the per share price of the New Securities issued pursuant to the Qualifying A Issue;
NS =	the number of New Securities issued pursuant to the Qualifying A Issue;
Z =	the number of A Shares held by the Exercising A Investor.

4.2 The Series A Anti-Dilution Shares shall:

- 4.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or an Investor Majority shall agree otherwise, in which event the Exercising A Investors shall be entitled to subscribe for the Series A Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising A Investor as to the effect of **article 4.1**, the matter shall be referred (at the cost of the Company) to the Accountants for certification of the number of Series A Anti-Dilution Shares to be issued. The Accountant's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising A Investor; and
- 4.2.2 subject to the payment of any cash payable pursuant to **article 4.2.1** (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing A Shares, within 5 Business Days of the expiry of the offer being made by the Company to the Exercising A Investor and pursuant to **article 4.2.1**.
- 4.3 Subject to **article 4.11**, if New Securities are issued by the Company at a price per New Security which equates to less than the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price relating to a B Share (a "**Qualifying B Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Accountants acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Investor Majority shall have specifically waived the rights of all of the holders of the B Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of B Shares (the "**Exercising B Investor**") the right to receive such number of new B Shares by applying the following formula (and

rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with **article 5** (the "**Series B Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

N =	Number of Series B Anti-Dilution Shares to be issued to the Exercising B Investor;
WA =	$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
SIP =	the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price;
ESC =	the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying B Issue;
QISP =	the per share price of the New Securities issued pursuant to the Qualifying B Issue;
NS =	the number of New Securities issued pursuant to the Qualifying B Issue;
Z =	the number of B Shares held by the Exercising B Investor.

4.4 The Series B Anti-Dilution Shares shall:

- 4.4.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or an Investor Majority shall agree otherwise, in which event the Exercising B Investors shall be entitled to subscribe for the Series B Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising B Investor as to the effect of **article 4.3**, the matter shall be referred (at the cost of the Company) to the Accountants for certification of the number of Series B Anti-Dilution Shares to be issued. The Accountant's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising B Investor; and
- 4.4.2 subject to the payment of any cash payable pursuant to **article 4.4.1** (if applicable), be issued, credited fully paid up in cash and shall rank

pari passu in all respects with the existing B Shares, within 5 Business Days of the expiry of the offer being made by the Company to the Exercising B Investor and pursuant to **article 4.4.1**.

- 4.5 Subject to **article 4.11**, if New Securities are issued by the Company at a price per New Security which equates to less than the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price relating to a C Share (a "**Qualifying C Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Accountants acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Series C Majority shall have specifically waived the rights of all of the holders of the C Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of C Shares (the "**Exercising C Investor**") the right to receive such number of new C Shares by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with **article 5**(the "**Series C Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

N =	Number of Series C Anti-Dilution Shares to be issued to the Exercising C Investor;
WA =	$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
SIP =	the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price;
ESC =	the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying C Issue;
QISP =	the per share price of the New Securities issued pursuant to the Qualifying C Issue;
NS =	the number of New Securities issued pursuant to the Qualifying C Issue;
Z =	the number of C Shares held by the Exercising C Investor.

4.6 The Series C Anti-Dilution Shares shall:

- 4.6.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or an Investor Majority shall agree otherwise, in which event the Exercising C Investors shall be entitled to subscribe for the Series C Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising C Investor as to the effect of **article 4.5**, the matter shall be referred (at the cost of the Company) to the Accountants for certification of the number of Series C Anti-Dilution Shares to be issued. The Accountant's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising C Investor; and
- 4.6.2 subject to the payment of any cash payable pursuant to **article 4.6.1** (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing C Shares, within 5 Business Days of the expiry of the offer being made by the Company to the Exercising C Investor and pursuant to **article 4.6.1**.

- 4.7 Subject to **article 4.11**, if New Securities are issued by the Company at a price per New Security which equates to less than the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price relating to a D1 Share or a D2 Share (a "**Qualifying D1/D2 Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Accountants acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Series D1/D2 Majority shall have specifically waived the rights of all of the holders of the D1 Shares and D2 Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of D1 Shares or D2 Shares (the "**Exercising D1/D2 Investor**") the right to receive such number of new D1 Shares or D2 Shares by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with **article 5** (the "**Series D1/D2 Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

N =	Number of Series D1/D2 Anti-Dilution Shares to be issued to the Exercising D1/D2 Investor;
WA =	$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
SIP =	the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price;

ESC =	the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying D1/D2 Issue;
QISP =	the per share price of the New Securities issued pursuant to the Qualifying D1/D2 Issue;
NS =	the number of New Securities issued pursuant to the Qualifying D1/D2 Issue;
Z =	the number of D1/D2 Shares held by the Exercising D1/D2 Investor.

4.8 The Series D1/D2 Anti-Dilution Shares shall:

- 4.8.1** be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a Series D1/D2 Majority shall agree otherwise, in which event the Exercising D1/D2 Investors shall be entitled to subscribe for the Series D1/D2 Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising D1/D2 Investor as to the effect of **article 4.7**, the matter shall be referred (at the cost of the Company) to the Accountants for certification of the number of Series D1/D2 Anti-Dilution Shares to be issued. The Accountant's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising D1/D2 Investor; and
- 4.8.2** subject to the payment of any cash payable pursuant to **article 4.8.1** (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing D1 Shares and D2 Shares, within 5 Business Days of the expiry of the offer being made by the Company to the Exercising D1/D2 Investor and pursuant to **article 4.8.1**.
- 4.9** Subject to **article 4.11**, if New Securities are issued by the Company at a price per New Security which equates to less than the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price relating to a D3 Share (a "**Qualifying D3 Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Accountants acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Series D3 Majority shall have specifically waived the rights of all of the holders of the D3 Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of D3 Shares (the "**Exercising D3 Investor**") the right to receive such number of new D3 Shares by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with **article 5** (the "**Series D3 Anti-Dilution Shares**"):

Broad-Based Weighted Average Ratchet

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

Where:

N =	Number of Series D3 Anti-Dilution Shares to be issued to the Exercising D3 Investor;
WA =	$\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
SIP =	the Subscription Price or, if this provision has previously operated, the most recent Weighted Average Price;
ESC =	the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying D3 Issue;
QISP =	the per share price of the New Securities issued pursuant to the Qualifying D3 Issue;
NS =	the number of New Securities issued pursuant to the Qualifying D3 Issue;
Z =	the number of D3 Shares held by the Exercising D3 Investor.

4.10 The Series D3 Anti-Dilution Shares shall:

- 4.10.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a Series D3 Majority shall agree otherwise, in which event the Exercising D3 Investors shall be entitled to subscribe for the Series D3 Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising D3 Investor as to the effect of **article 4.9**, the matter shall be referred (at the cost of the Company) to the Accountants for certification of the number of Series D3 Anti-Dilution Shares to be issued. The Accountant's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising D3 Investor; and
- 4.10.2 subject to the payment of any cash payable pursuant to **article 4.10.1** (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing D3 Shares, within 5 Business Days of the expiry of the offer being made by the Company to the Exercising D3 Investor and pursuant to **article 4.10.1**.

- 4.11 The provisions of this **article 4** shall not apply in respect of any issue of Shares pursuant to **articles 3.1.4** or **15.6.1**.

5 ISSUE OR REORGANISATION

In the event of any Issue or Reorganisation, the Subscription Price of a Preferred Share shall be subject to adjustment on such basis as may be agreed by the Company with the Investor Super Majority within 10 Business Days after any Issue or Reorganisation. If the Company and the Investor Super Majority cannot agree such adjustment it shall be referred to the Accountants whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Shareholders. The costs of the Accountants shall be borne by the Company.

6 TRANSFERS OF PREFERRED SHARES

The provisions of this **article 6** shall not apply to any Crowdcube Nominee or Crowdcube Investor (to whom, for the avoidance of doubt, **article 9** shall apply).

- 6.1 Save as provided in this **article 6** and **article 13**, there are no restrictions whatsoever on the transfer of Preferred Shares (notwithstanding any other provision of these Articles), and the Board shall promptly approve for registration and cause to be registered any duly stamped stock transfer form in relation to any such transfer presented to the Board for registration.
- 6.2 If any Preferred Shareholder (the "**Selling Preferred Shareholder**") wishes to transfer any interest in any Preferred Shares ("**Sale Preferred Shares**") to any other person (other than pursuant to a Permitted Transfer in accordance with **article 8** and subject always to **article 11**) such Selling Preferred Shareholder shall give notice in writing (the "**Preferred Share Transfer Notice**") to the Board of his wish specifying:
- 6.2.1 the number of Sale Preferred Shares which he wishes to transfer;
 - 6.2.2 the proportion of the Selling Preferred Shareholder's total holding of Preferred Shares which the Sale Preferred Shares represent;
 - 6.2.3 the name of the third party (if any) to whom he proposes to sell the Sale Preferred Shares; and
 - 6.2.4 the price (in cash) at which he wishes to transfer the Sale Preferred Shares (the "**Preferred Share Transfer Price**").
- 6.3 The Preferred Share Transfer Notice shall be deemed to appoint the Company (acting by the Board) as the agent of the Selling Preferred Shareholder for the sale of the Sale Preferred Shares at the Preferred Share Transfer Price.
- 6.4 Promptly on receipt of the Preferred Share Transfer Notice, the Board shall give notice in writing to each of the other Preferred Shareholders informing them of the number of Sale Preferred Shares that are available to purchase and the Preferred Share Transfer Price. Such notice shall invite each such Preferred Shareholder to state, in writing within 15 Business Days from the date of such notice (which date shall be specified in such notice), whether he is willing to purchase any and, if so, how many of the Sale Preferred Shares. Each such Preferred Shareholder shall be entitled to purchase up to his Preferred Shareholder Proportion, and he shall also indicate whether he is prepared to purchase Excess Shares. Each such Preferred Shareholder shall be allocated his

Preferred Shareholder Proportion (or such lesser number of Sale Preferred Shares for which he may have applied). An application by an Preferred Shareholder for Excess Shares shall be allocated in accordance with such application or, in the event of competition, (as nearly as may be) to each Preferred Shareholder applying for Excess Shares in the proportion which the number of Preferred Shares held by such Preferred Shareholder bears to the total number of Preferred Shares held by all Preferred Shareholders applying for Excess Shares PROVIDED THAT such Preferred Shareholder shall not be allocated more Excess Shares than he shall have stated himself willing to take.

- 6.5 Promptly following expiry of the offer pursuant to **article 6.4** (or sooner if all the Sale Preferred Shares offered shall have been accepted in the manner provided in **article 6.4**) the Board shall give notice of the resulting allocation of Sale Preferred Shares (a "**Preferred Allocation Notice**") to the Selling Preferred Shareholder and each of the Preferred Shareholders to whom Sale Preferred Shares have been allocated (a "**Preferred Member Applicant**") and shall specify in the Preferred Allocation Notice the place and time (being not earlier than five Business Days and not later than 10 Business Days after the date of the Preferred Allocation Notice) at which the sale of the Sale Preferred Shares shall be completed.
- 6.6 The Selling Preferred Shareholder shall be bound, on receipt of the Preferred Share Transfer Price, to transfer the Sale Preferred Shares comprised in the Preferred Allocation Notice to the Preferred Member Applicants named in the Preferred Allocation Notice at the time and place specified in the Preferred Allocation Notice. If the Selling Preferred Shareholder makes default in so doing:
- (a) a Director nominated by a resolution of the Board for the purpose shall be deemed to be duly appointed as the agent of the Selling Preferred Shareholder with full power to execute, complete and deliver in the name and on behalf of the Selling Preferred Shareholder all documents necessary to give effect to the transfer of the relevant Sale Preferred Shares to the Preferred Member Applicants;
 - (b) the Company may receive and give a good discharge for the purchase money on behalf of the Selling Preferred Shareholder and (subject to the transfer being duly stamped) enter the names of the Preferred Member Applicants in the register of members as the holder or holders by transfer of the Sale Preferred Shares so purchased by him or them; and
 - (c) the Company shall promptly pay the purchase money into a separate bank account and shall hold such money on trust (but without interest) for the Selling Preferred Shareholder until he delivers up his certificate or certificates for the relevant Sale Preferred Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company following which he shall be paid the purchase money (but without interest).
- 6.7 The appointment referred to in **article 6.6(a)** shall be irrevocable and is given to secure the performance of the obligations of the relevant holder under these Articles.
- 6.8 In the event of all the Sale Preferred Shares not being sold under the preceding paragraphs of this **article 6.2** the Selling Preferred Shareholder may, at any time

within three calendar months after receiving confirmation from the Company that the provisions contained in this **article 6.2** have been exhausted, sell any Sale Preferred Shares (which have not been sold) in a *bona fide* sale to any person or persons (each a "**Third-Party Purchaser**") at any price not less than the Preferred Share Transfer Price.

- 6.9 The restrictions imposed by this Article 6 may be waived in relation to any proposed transfer of Preferred Shares with the consent of the Board and the Investor Super Majority.

7 GENERAL PROVISIONS RELATING TO TRANSFERS OF ORDINARY SHARES

- 7.1 No person shall be entitled to:

7.1.1 transfer or dispose of any Ordinary Shares (or any interest whether legal, equitable or otherwise in such Ordinary Shares or any rights in respect of them) unless such transfer is made pursuant to **article 8** (Permitted Transfers), **article 9** (Crowdcube Shares), **article 10** (Transfers of Shares Subject to Pre-Emption) (in such circumstance, subject to any restriction on sale which may have been accepted by an Ordinary Shareholder in any shareholders' agreement in force between the Shareholders and the Company), **article 11** (Compulsory Transfers of Shares), or **article 12** (Drag-Along Transfers); or

7.1.2 create or grant any mortgage, charge, lien or encumbrance in, over, or in respect of any Ordinary Shares or effect any other dealing in such Ordinary Shares (or any interest whether legal, equitable or otherwise in such Ordinary Shares or any rights in respect of them).

- 7.2 To enable the Board to determine whether or not there has been any transfer of Shares (or any interest in any Shares) in breach of the Articles, the Board may, and shall if so requested in writing by an Investor Majority, by notice in writing require any holder or the legal representatives of any deceased holder or any person named as a transferee in any transfer lodged for registration or any other person who the Board (acting with the consent of an Investor Majority) may reasonably believe to have information relevant to that purpose, to provide the Board with such information, together with any other information or evidence the Board considers necessary in connection with establishing any past or present interest or rights held by any person in or in respect of any Shares (including without limitation, the names, addresses and interests of all persons respectively having any interest in any Shares registered from time to time in such holder's name). A notice given by the Board pursuant to this **article 7.2** shall require any information to be given in response to such notice to be given in writing within such reasonable time as may be specified in the notice.

- 7.3 Where notice is served by the Board under **article 7.2** on any person and such person has failed to give the Board the information required within the period specified in such notice, or that as a result of the information provided, the Board is reasonably satisfied that a breach has occurred, the Board shall promptly notify the holder of such Shares ("**Default Shares**") in writing of that fact and the following shall occur:

7.3.1 the Default Shares shall cease to confer upon the holder of them (or any proxy) any rights:

- (a) to vote, whether on a show of hands or a poll;

- (b) to receive any dividends or other distributions; and
 - (c) except in a liquidation, to receive payment of any sums due from the Company on the Default Shares, whether in respect of capital or otherwise (and any such payments that would otherwise be due during such period shall be considered forfeited and shall not accrue).
- 7.3.2 The holder may be required, at any time following receipt of the notice and for so long as such holder has not complied in all material respects with a notice given pursuant to **article 7.2**, to transfer some or all of the Default Shares to any person(s) nominated by the Board at the price that the Board may require (with the approval of the Investor Majority) by notice in writing to that holder.
- 7.3.3 The rights referred to in **article 7.3.1** shall be reinstated upon the earlier of (i) the completion of any transfer referred to in **article 7.3.1(c)**, and (ii) full compliance with a notice given by the Board pursuant to **article 7.2**.

8 PERMITTED TRANSFERS

- 8.1 Any transfer by a Shareholder made in accordance with **articles 8.2, 8.5, 9** or which is otherwise approved by the Board, an Ordinary Majority and the Investor Super Majority (a "**Permitted Transfer**") may be made at any time without restriction (including **article 6** (Transfer of Preferred Shares) and **article 10** (Transfers Subject to Pre-Emption) which shall not apply to Permitted Transfers).
- 8.2 **Transfers by Individuals and Family Trusts**
 - 8.2.1 The provisions of this **article 8.2** shall not apply to the Crowdcube Nominee or Crowdcube Investors.
 - 8.2.2 A Shareholder who is an Individual (provided that such Shares are not held by such individual Shareholder in the capacity of a trustee of any Family Trusts) may transfer the Whole Interest in any Shares of which he is the holder:
 - (a) to a Privileged Relation of such individual Shareholder; or
 - (b) to trustees to be held upon Family Trusts related to such individual Shareholder.
 - 8.2.3 Where a person is entitled to Shares in consequence of the death, bankruptcy or insolvency of an individual Shareholder (provided that such Shares are not held by such individual Shareholder in the capacity of a trustee of any Family Trusts), he may transfer the Whole Interest in such Shares to any person or trustee to whom such individual Shareholder, if not dead or bankrupt, would be permitted to transfer the same under this **article 8.2**.
 - 8.2.4 Where Shares have been issued to trustees of Family Trusts or transferred under this **article 8.2** to trustees of Family Trusts, the trustees and their successors in office may transfer the whole of their interest in and rights in respect of all or any of such Shares:

- (a) to the trustees for the time being of the Family Trust concerned on any change of trustees;
- (b) to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual Shareholder or deceased or former Shareholder pursuant to the terms of such Family Trusts or to any discretion vested in the trustees of such Family Trusts; or
- (c) to the relevant Shareholder or former Shareholder or any Connected Person of the relevant Shareholder or deceased or former Shareholder who has become entitled to the Shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any discretion vested in the trustees of such Family Trusts.

8.3 If and whenever any Shares come to be held by trustees or former trustees otherwise than upon Family Trusts, except in circumstances where a transfer of those Shares is authorised pursuant to **article 8.2.4** to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such Shares to notify the Board in writing that such event has occurred and the trustees shall be bound, if and when required by notice in writing from the Board so to do, to transfer all of their interest in and rights in respect of such Shares back to the relevant former Shareholder. If no such transfer shall have been presented to the Board for registration within 14 days of such written notice, a Clawback Notice shall be deemed to have been served by such trustees or former trustees and the provisions of **article 8.8** shall apply.

8.4 If a person to whom Shares have been transferred pursuant to **article 8.2.2(a)** shall cease to be a Privileged Relation of the original Shareholder who transferred the Shares pursuant to **article 8.2.2(a)**, it shall be the duty of the person holding such Shares to notify the Board in writing that such event has occurred and such person shall be bound, if and when required by notice in writing from the Directors so to do, to transfer all of its interest in, and rights in respect of its entire holding of Shares back to such original Shareholder or to another Privileged Relation of such original Shareholder. If no such transfer shall have been presented to the Board for registration within 14 days of such written notice, a Clawback Notice shall be deemed to have been served by such person and the provisions of **article 8.8** shall apply.

8.5 Transfers by companies and other entities

- 8.5.1 The provisions of this **article 8.5** shall not apply to the Crowdcube Nominee or Crowdcube Investors.
- 8.5.2 A Shareholder which is a body corporate may transfer the Whole Interest in any Shares of which it is the holder (provided that such Shares are not held by such body corporate in the capacity of a trustee of any Family Trusts) to a Member of the same Group as the transferor body corporate.
- 8.5.3 A Shareholder which is a partnership or other unincorporated entity may transfer the Whole Interest in any Shares of which it is the holder to any of its respective Affiliates and vice versa among such Affiliates (and so that, in the event of dispute, the matter shall be conclusively

determined by the Board acting with the consent of an Investor Majority.

- 8.5.4 A Preferred Shareholder may transfer the legal interest in any Preferred Shares of which it is the holder to any Affiliate Nominee and any Shareholder which is an Affiliate Nominee may transfer the legal interest in any Preferred Shares of which it is the holder to any of its respective Affiliates.
- 8.6 If a transferee company ceases to be a Member of the same Group as the transferor company from which (whether directly or by a series of transfers under **article 8.5.1**) the Shares derived, it shall be the duty of the transferee company to notify the Board in writing that such event has occurred and (unless the Whole Interest in such Shares is then transferred by the transferee company to the transferor company or a Member of the same Group as the transferor company, any such transfer being deemed to be authorised under the foregoing provisions of this **article 8**) the transferee company shall be bound, if and when required by notice in writing from the Board so to do, to transfer the Whole Interest in its entire holding of Shares back to the transferor company. If no such transfer shall have been presented to the Board for registration within 14 days of such written notice, a Clawback Notice shall be deemed to have been served by such transferee and the provisions of **article 8.8** shall apply.
- 8.7 If a person to whom Shares have been transferred pursuant to **article 8.5.3** shall cease to be an Affiliate of the original Shareholder who transferred the Shares pursuant to **article 8.5.3**, such person shall be bound, if and when required in by notice in writing from the Board so to do, to transfer the Whole Interest in its entire holding of Shares back to such original Shareholder or to another Affiliate of such original Shareholder. If no such transfer shall have been presented to the Board for registration within 14 days of such written notice, a Clawback Notice shall be deemed to have been served by such person and the provisions of **article 8.8** shall apply.
- 8.8 Where a Clawback Notice is deemed to have been served pursuant to provisions of this **article 8** the terms of the Clawback Notice shall be as follows:
 - 8.8.1 the person who is deemed to have served the Clawback Notice shall be treated as the Selling Shareholder for the purposes of **articles 10.1.2 to 10.1.8**;
 - 8.8.2 the Transfer Price shall be equal to the Subscription Price; and
 - 8.8.3 the provisions of **articles 10.1.2 to 10.1.8** shall apply as if the Clawback Notice was a Transfer Notice in respect of all of the Selling Shareholder's Shares, save that in respect of any Shares not sold under the provisions of those articles, the Board should be entitled to nominate any one or more persons (at the Board's discretion) to whom any such unsold Shares shall be transferred at the Subscription Price of such Shares.

9 CROWDCUBE SHARES

- 9.1 The Crowdcube Nominee shall not be entitled to make any transfer or otherwise dispose of the whole or any part of its interest in, or rights in respect of, or grant any option or other rights over, the Crowdcube Shares to any person other than:
 - 9.1.1 to any replacement nominee in respect of the Crowdcube Shares;

- 9.1.2 with the prior written consent of the Board;
- 9.1.3 where required to do so pursuant to these Articles; or
- 9.1.4 pursuant to acceptance of an Offer (as defined in **article 13.2**),

and provided that in each case (other than **article 9.1.4**) a Crowdcube Nominee remains the holder of the legal title of all of the Crowdcube Shares. If such a transfer is made by a Crowdcube Nominee pursuant to this **article 9.1**, the transferee shall be treated as a Crowdcube Nominee for all purposes under these Articles. Any purported transfer of legal title to the Crowdcube Shares other than in accordance with this **article 9.1** will be invalid.

- 9.2 Each Crowdcube Investor shall not be entitled to transfer or otherwise dispose of the whole or any part of their interest in, or rights in respect of, or grant any option or other rights over, the beneficial interest in the Crowdcube Shares held by them other than:

- 9.2.1 with the prior written consent of the Board;
- 9.2.2 where required to do so pursuant to these Articles; or
- 9.2.3 pursuant to acceptance of an Offer (as defined in **article 13.2**),

and provided in each case (other than **article 9.1.4**) that the Crowdcube Nominee shall at all times remain the holder of the legal title of all of the Crowdcube Shares. If such a transfer is made by a Crowdcube Investor pursuant to this **article 9.2**, the transferee shall be treated as a Crowdcube Investor for all purposes under these Articles. The Crowdcube Nominee shall procure, so far as it lies within its power to do so, that each Crowdcube Investor complies with the terms of this **article 9.2** and shall not permit the transfer of any beneficial interest in any Crowdcube Shares by a Crowdcube Investor to the extent such transfer does not comply with this **article 9.2**.

10 TRANSFERS OF ORDINARY SHARES SUBJECT TO PRE-EMPTION

10.1 Right of First Refusal

- 10.1.1 Subject to the provisions of **articles 8** (Permitted Transfers), **article 9** (Crowdcube Shares), **10** (Compulsory Transfers of Shares) and **12** (Drag-Along Transfers), a Shareholder (a "**Selling Shareholder**") who wishes to accept an offer from or enter into any agreement with any person for the sale or transfer of its Whole Interest in all or part of its holding of Ordinary Shares (the "**Sale Shares**") may only do so:

- (a) with the prior written consent of an Investor Majority, which shall be deemed given in respect of any Selling Shareholder which is an Institutional Investor; and
- (b) in accordance with the procedure set out in the following provisions of this **article 10.1**.

- 10.1.2 Any Selling Shareholder who has obtained the consent of an Investor Majority required pursuant to **article 10.1.1(a)** shall give notice in writing (the "**Transfer Notice**") to the Board of his wish specifying:

- (a) the number of Sale Shares which he wishes to transfer;

- (b) the proportion of the Selling Shareholder's total holding of Ordinary Shares which the Sale Shares represent (as though all Preferred Shares held by such Selling Shareholder (if any) had been converted into Ordinary Shares);
- (c) the name of the third party (if any) to whom he proposes to sell the Sale Shares; and
- (d) the price (in cash) at which he wishes to transfer the Sale Shares (the "**Transfer Price**").

10.1.3 The Transfer Notice shall be deemed to appoint the Company (acting by the Board) as the agent of the Selling Shareholder for the sale of the Sale Shares at the Transfer Price.

10.1.4 Promptly on receipt of the Transfer Notice, the Board shall give notice in writing to each of the Preferred Shareholders informing them of the number of Sale Shares that are available to purchase and the Transfer Price. Such notice shall invite each Preferred Shareholder to state, in writing within 15 Business Days from the date of such notice (which date shall be specified in such notice), whether he is willing to purchase any and, if so, how many of the Sale Shares. Each Preferred Shareholder shall be entitled to purchase up to his Preferred Shareholder Proportion, and he shall also indicate whether he is prepared to purchase Excess Shares. Each Preferred Shareholder shall be allocated his Preferred Shareholder Proportion (or such lesser number of Sale Shares for which he may have applied); an application by an Preferred Shareholder for Excess Shares shall be allocated in accordance with such application or, in the event of competition, (as nearly as may be) to each Preferred Shareholder applying for Excess Shares in the proportion which the number of Preferred Shares held by such Preferred Shareholder bears to the total number of Preferred Shares held by all Preferred Shareholders applying for Excess Shares PROVIDED THAT such Preferred Shareholder shall not be allocated more Excess Shares than he shall have stated himself willing to take.

10.1.5 Promptly after the expiry of the offer made pursuant to **article 10.1.4**, if such offer has not been accepted in respect of all of the Sale Shares, the Board shall give notice in writing to each of the Ordinary Shareholders, informing them of the number of Sale Shares that are remaining available to purchase. Such notice shall invite each Ordinary Shareholder to state, in writing within 15 Business Days from the date of such notice (which date shall be specified in such notice), whether he is willing to purchase any and, if so, how many of the remaining Sale Shares. Each Ordinary Shareholder shall be entitled to purchase up to his Ordinary Shareholder Proportion, and he shall also indicate whether he is prepared to purchase Ordinary Excess Shares. Each Ordinary Shareholder shall be allocated his Ordinary Shareholder Proportion, or such lesser number of Sale Shares for which he may have applied; an application by an Ordinary Shareholder for Ordinary Excess Shares shall be allocated in accordance with such application or, in the event of competition, (as nearly as may be) to each Ordinary Shareholder applying for Ordinary Excess Shares in the proportion which the number of Ordinary Shares held by such Ordinary Shareholder bears to the total number of Ordinary Shares held by all Ordinary Shareholders applying for Ordinary Excess Shares PROVIDED THAT such Ordinary Shareholder shall not be allocated

more Ordinary Excess Shares than he shall have stated himself willing to take.

- 10.1.6 Promptly following expiry of the offers pursuant to **articles 10.1.4** and **10.1.5** (or sooner if all the Sale Shares offered shall have been accepted in the manner provided in **article 10.1.4**) the Board shall give notice of the resulting allocation of Sale Shares (an "**Allocation Notice**") to the Selling Shareholder and each of the Shareholders to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not earlier than five Business Days and not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.
- 10.1.7 The Selling Shareholder shall be bound, on receipt of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named in the Allocation Notice at the time and place specified in the Allocation Notice. If the Selling Shareholder makes default in so doing:
- (a) a Director nominated by a resolution of the Board for the purpose shall be deemed to be duly appointed as the agent of the Selling Shareholder with full power to execute, complete and deliver in the name and on behalf of the Selling Shareholder all documents necessary to give effect to the transfer of the relevant Sale Shares to the Member Applicants;
 - (b) the Company may receive and give a good discharge for the purchase money on behalf of the Selling Shareholder and (subject to the transfer being duly stamped) enter the names of the Member Applicants in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and
 - (c) the Company shall promptly pay the purchase money into a separate bank account and shall hold such money on trust (but without interest) for the Selling Shareholder until he delivers up his certificate or certificates for the relevant Sale Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company following which he shall be paid the purchase money (but without interest).
- 10.1.8 The appointment referred to in **article 10.1.7(a)** shall be irrevocable and is given to secure the performance of the obligations of the relevant holder under these Articles.
- 10.1.9 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **article 10.1** the Selling Shareholder may, but subject to **article 10.2**, at any time within three calendar months after receiving confirmation from the Company that the provisions contained in this **article 10.1** have been exhausted, sell any Sale Shares (which have not been sold) in a *bona fide* sale to any person or persons (each a "**Third-Party Purchaser**") at any price not less than the Transfer Price.

- 10.1.10 The restrictions imposed by this **article 10.1** may be waived in relation to any proposed transfer of Shares with the consent of the Board, an Ordinary Majority and the Investor Super Majority).

10.2 Co-Sale Right

- 10.2.1 In the event that any Sale Shares are proposed to be sold under **article 10.1**, (whether to one or more other Shareholders ("**Purchasing Shareholders**") pursuant to **articles 10.1.5 to 10.1.7** or to a Third Party Purchaser pursuant to **article 10.1.9**) in circumstances where any Preferred Shareholder or Angel Investor did not exercise any rights to purchase any Sale Shares in accordance with **articles 10.1.5 to 10.1.7** ("**Non-Participating Investor**"), the following provisions shall apply to such sale and purchase by a Selling Shareholder who is not an Institutional Investor:

- (a) in the event that a sale to a Third-Party Purchaser is in prospect, the Board may require to be satisfied in such manner as it may reasonably decide that the Sale Shares are being sold in pursuance of a *bona fide* sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Third-Party Purchaser and, if not so satisfied, may refuse to register the instrument of transfer; and
- (b) the Selling Shareholder shall procure, before the transfer is made and lodged for registration, that the Purchasing Shareholders or Third-Party Purchaser (as the case may be) has made an offer to each Non-Participating Investor to purchase on the same terms and conditions (including as to price) as shall have been agreed between the Selling Shareholder and the Purchasing Shareholders or Third-Party Purchaser (as the case may be) (the "**Agreed Terms**") such number of Shares as calculated in accordance with the following formula:

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

where:

W = the number of Sale Shares to be sold to the Purchasing Shareholders or Third-Party Purchaser (as the case may be);

X = the total number of Shares owned by the Non-Participating Investor to whom the offer is made;

Y = the aggregate of the total number of Shares owned by each Non-Participating Investor who wishes to sell Shares pursuant to this **article 10.2.1(b)**; and

Z = the total number of Shares owned by the Selling Shareholder.

- 10.2.2 To the extent that one or more Non-Participating Investors wishes to sell to the Purchasing Shareholders or Third-Party Purchaser (as the case may be) in accordance with the provisions of **article 10.2.1(b)**, the number of Sale Shares that the Selling Shareholder shall be

entitled to sell to such Purchasing Shareholders or Third-Party Purchaser shall be correspondingly reduced.

- 10.2.3 In the event of disagreement in relation to identification of the Agreed Terms (including disagreement as to the price paid or agreed to be paid for the relevant Shares and any adjustment required as a result of the operation of **article 10.2.4**), the identification of the Agreed Terms shall be referred to the Expert at the request of any of the parties concerned. The determination of the Expert shall be final and binding. Each of the parties concerned shall provide the Expert with whatever information they reasonably require for the purpose of their determination.
- 10.2.4 For the purposes of this **article 10.2**, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable for the Sale Shares were used to determine the valuation of the entire issued share capital of the Company, determined and allocated in accordance with **article 3.1**.
- 10.2.5 The restrictions imposed by this **article 10.2** may be waived in relation to any proposed transfer of Shares with the consent of the Board, an Ordinary Majority and the Investor Super Majority).

11 COMPULSORY TRANSFERS OF SHARES

11.1 Bankruptcy or insolvency of a Shareholder

A person entitled to a Share in consequence of the bankruptcy or insolvency of a Shareholder shall be deemed to have given a Transfer Notice in respect of such Share at a time determined by the Board, in respect of which the Transfer Price is the Fair Value.

11.2 Death of a Shareholder

- 11.2.1 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Board may require, by notice in writing, the legal personal representatives to such deceased Shareholder to effect a Permitted Transfer of such Shares within such period as the Board may reasonably specify.
- 11.2.2 If a notice served under **article 11.2.1** is not complied with within such period as the Board may reasonably allow for the purpose, a Transfer Notice shall be deemed to have been given in respect of such number of the relevant Shares and at such time as the Board may determine, in respect of which the Transfer Price is the Fair Value.
- 11.2.3 A person to whom the provisions of this **article 11** apply shall not be entitled to serve a Transfer Notice under **article 10** (Transfers of Shares Subject to Pre-emption) unless that person is required to do so or is deemed to have done so pursuant to this **article 11**, and the provisions of **article 10** shall apply to any Transfer Notice served or deemed to have been served under this **article 11**, with such modifications as are necessary to give effect to the provisions of this **article 11**.

12 DRAG-ALONG TRANSFERS

- 12.1 Where (a) an Investor Super Majority at any time; or (b) an Investor Majority together with, if such notice is to be given prior to 21 July 2020, the holders of two-thirds of the Shares in issue (or interest or rights in such Shares); or (c) an Investor Majority alone, if such notice is to be given on or after 21 July 2020 (either (a), (b) or (c) above being the "**Drag-Along Sellers**") wishes to transfer all of their Shares (or any interest or rights in such Shares) the transferee in respect of such transfer (the "**Drag-Along Purchaser**") may, by serving a notice (the "**Compulsory Purchase Notice**") to the Company, which the Company shall immediately forward to each other Shareholder ("**Minority Shareholder**"), require all the Minority Shareholders to sell all their Shares and beneficial interests and rights in such Shares to the Drag-Along Purchaser (or such other person or persons as the Drag-Along Purchaser shall specify) in accordance with the provisions of this **article 12**.
- 12.2 The consideration per Share for the Shares held by the Minority Shareholders shall equal the consideration per Share offered by the Drag-Along Purchaser to the Drag-Along Sellers (subject to allocation and distribution in accordance with the provisions of **article 3.1.2**) (provided that any discharge by the Drag-Along Purchaser of any Costs of Sale shall not for these purposes be treated as part of the consideration per Share offered by the Drag-Along Purchaser to the Drag-Along Sellers if such discharge has been agreed to by the Drag-Along Sellers). Where the consideration is non-cash consideration, any valuation of such consideration applicable to the consideration payable to the Drag-Along Sellers shall also be applicable to the consideration payable to the Minority Shareholders.
- 12.3 In respect of a transaction that is the subject of a Compulsory Purchase Notice and with respect to any Drag Document (as defined below), a Minority Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the applicable consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Minority Shareholder. However a Minority Shareholder shall be obliged to contribute from such Minority Shareholder's sale proceeds on a pro rata basis to any escrow, retention or other arrangement with the Drag-Along Purchaser in respect of any warranties and/or indemnities relating to the Group given by any of the Selling Shareholders provided that all shareholders (other than any Institutional Investors) also contribute on a pro rata basis to such escrow, retention or other arrangement.
- 12.4 Within seven days of the Drag-Along Purchaser serving a Compulsory Purchase Notice on the Minority Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Completion Date**"), the Minority Shareholders shall deliver to the Company or the Drag-Along Purchaser (as is specified in the Compulsory Purchase Notice):
- 12.4.1 duly executed stock transfer form(s) for its Shares in favour of the Drag-Along Purchaser;
 - 12.4.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - 12.4.3 duly executed Sale Agreement, if applicable, in the form specified in the Compulsory Purchase Notice or as otherwise specified by the Company,

(each a "**Drag Document**")

- 12.5 On the expiration of such seven day period the Company, on behalf of the Drag-Along Purchaser, or the Drag-Along Purchaser shall pay or otherwise deliver or make available to the Minority Shareholders the consideration they are due pursuant to **article 12.2** to the extent consideration is cash consideration and the Drag-Along Purchaser has put the Company in the requisite funds or, if the consideration is non-cash consideration, the Drag-Along Purchaser shall satisfy the consideration due to the Minority Shareholders through the issue of shares or securities or the payment or transfer of any other non-cash consideration which forms the non-cash consideration due to be issued, paid or transferred to that Minority Shareholder. The Company's receipt for any cash consideration shall be a good discharge to the Drag-Along Purchaser. The Company shall hold any consideration due to the Minority Shareholders pursuant to **article 12.2** in trust for the Minority Shareholders without any obligation to pay interest.
- 12.6 If a Minority Shareholder fails to deliver duly executed stock transfer forms for their Shares to the Company or the Drag-Along Purchaser upon the expiration of such seven day period, the Directors shall, if requested by the Drag-Along Purchaser, authorise any Director to transfer such Minority Shareholder's Shares as agent for and on behalf of such Minority Shareholder on the terms set out in the Compulsory Purchase Notice and deliver stock transfer forms for such Minority Shareholder's Shares to the Drag-Along Purchaser (or its nominee(s)) to the extent the Drag-Along Purchaser has, upon the expiration of such seven day period, put the Company in funds to pay the price for such Minority Shareholder's Shares offered to him or, in the case of non-cash consideration to the extent the Drag-Along Purchaser has otherwise made available such other non-cash consideration or has satisfied the Board that the Drag-Along Purchaser is otherwise in a position to issue, pay, transfer or otherwise satisfy the consideration as is payable for such Minority Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Minority Shareholder shall surrender his share certificate for his Shares to the Company. On surrender, he shall be entitled to the consideration due to him pursuant to **article 12.9**.
- 12.7 In the event that the Drag-Along Purchaser has not put the Company in the requisite funds or otherwise made available such other non-cash consideration or otherwise satisfied the Board that the Drag-Along Purchaser is in a position to issue, pay, transfer or otherwise satisfy such non-cash consideration upon the expiration of such seven day period, the Board (with the consent of an Investor Majority), shall be entitled to postpone completion of the sale of the Minority Shareholders' Shares to such date, being no later than five Business Days following the expiration of such seven day period, as the Board, an Investor Majority and the Drag-Along Purchaser shall agree. In the event that the Drag-Along Purchaser fails to put the Company in the requisite funds or otherwise make available such other non-cash consideration or otherwise has not satisfied the Board that the Drag-Along Purchaser is in a position to issue, pay, transfer or otherwise satisfy such non-cash consideration by such postponed completion date, the Drag-Along Purchaser shall cease to be entitled to purchase the Minority Shareholders' Shares, and the Company shall promptly return the stock transfer forms and share certificates to the Minority Shareholders as appropriate.
- 12.8 While the provisions of **article 12.1** apply to a Minority Shareholder's Shares, those Shares may not be transferred otherwise than under **article 12.1**, and the provisions of **article 6** (Transfers of Preferred Shares), **article 10** (Transfers of Shares Subject to Pre-emption) and **article 13** (Tag Along Rights on a Change of

Control) shall not apply to any transfer or proposed transfer of Shares to which this **article 12** applies.

- 12.9 The proceeds (which may be cash consideration and/or non-cash consideration) of a Sale arising pursuant to the terms of **articles 12.1 to 12.7** shall be allocated and distributed in the manner and order of priority set out in **article 3.1.2** (Capital).
- 12.10 On any person, following the issue of a Compulsory Purchase Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Compulsory Purchase Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Compulsory Purchase Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag-Along Purchaser or as the Drag-Along Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Compulsory Purchase Notice being deemed served on the New Shareholder.
- 12.11 If a Compulsory Purchase Notice is served on the Minority Shareholders before the date falling 24 months after the Adoption Date in circumstances where the Relevant Shareholder (as such term is defined in the amended and restated subscription and shareholders' agreement in relation to the Company entered into on or about the Adoption Date) would not otherwise receive under **Article 3.1.2** a price per D3 Share (other than any Anti-Dilution Shares) equal to 1.75x the Series D3 Issue Price (the "**Drag Price**"), the provisions of **Article 3.1.1** shall be deemed to be adjusted to the extent necessary such that the Relevant Shareholder shall receive the Drag Price per D3 Share (other than any Anti-Dilution Shares). The difference between the entitlement per D3 Share (other than any Anti-Dilution Shares) that the Relevant Shareholder would have had under **Article 3.1.1** but for this **Article 12.11** and the Drag Price shall be by way of adjustment of the entitlement under **Article 3.1.1** of each other Shareholder, and such adjustment shall be in the proportion that each such Shareholder's entitlement to proceeds of sale in respect of the Sale that is the subject of the Compulsory Purchase Notice bears to the entitlement of all such Shareholders but without any other adjustment to the provisions of **Article 3.1.1**.

13 TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 13.1 Except in the case of transfers pursuant to **article 8** (Permitted Transfers), the provisions of **article 13.2 to article 13.6** shall apply if, in one or a series of related transactions, one or more Shareholders (the "**Sellers**") propose to transfer any of the Shares (a "**Proposed Transfer**") which would, if carried out, result in any person (the "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 13.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "**Offer**") to:
- 13.2.1 the other Shareholders to purchase all of the Shares held by them;
 - 13.2.2 the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase

any Shares acquired on the exercise of options at any time before the Proposed Transfer,

for a consideration per Share (whether in cash or non-cash) that is at least equal to the highest price per class of Share offered by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer (the "**Specified Price**"), provided that the proceeds of a Proposed Transfer shall be allocated and distributed in the manner and order of priority set out in **article 3.1.2** (Capital).

- 13.3 The Offer shall be made by written notice (the "**Offer Notice**"), at least 10 Business Days before the date of completion of the Proposed Transfer (the "**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:

- 13.3.1 the identity of the Buyer;
- 13.3.2 the Specified Price and other terms and conditions of payment;
- 13.3.3 the Sale Date; and
- 13.3.4 the number of Shares proposed to be purchased by the Buyer ("**Tag-Along Offer Shares**").

- 13.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company and persons listed in **article 13.2** in accordance with this article, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

- 13.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") in writing within 5 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Tag-Along Offer Shares held by Accepting Shareholders.

- 13.6 A Proposed Transfer in the case of Ordinary Shares is subject to the pre-emption provisions of **article 10**, but the purchase of Tag-Along Offer Shares from Accepting Shareholders (of any class of Shares) shall not be subject to those provisions.

14 DETERMINATION OF FAIR VALUE

- 14.1 The Fair Value in relation to any Sale Shares shall be such price as agreed between the Board (any Director with whom the Seller is connected (within the meaning of section 252 of the Act) not being entitled to vote), an Investor Majority and the Seller.

- 14.2 If the Board, an Investor Majority and the Seller are unable to agree the Fair Value pursuant to **article 14.1** within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, the Board shall either:

- 14.2.1 appoint an Expert to certify the Fair Value of the Sale Shares; or,
- 14.2.2 if the Fair Value has been certified by an Expert within the preceding 12 weeks, specify that the Fair Value of the Sale Shares shall be the same price per Sale Share as previously certified.

- 14.3 The Fair Value of the Sale Shares shall be determined by the Expert on the following assumptions and bases:
- 14.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 14.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 14.3.3 that the Sale Shares are capable of being transferred without restriction;
 - 14.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but having full regard to the allocation and distribution of proceeds of sale in accordance with **article 3.1.2**; and
 - 14.3.5 reflect any other factors which the Expert reasonably believes should be taken into account.
- 14.4 If any difficulty arises in applying any of the assumptions or bases set out in **article 14.3** then the Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 14.5 The Expert shall be requested to determine the Fair Value within 15 Business Days of its appointment and notify the Board of their determination.
- 14.6 The Expert shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 14.7 The Expert may have access to all accounting records or other relevant documents of the Company, subject to any confidentiality provisions.
- 14.8 If the Expert is asked to certify the Fair Value, its certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller.
- 14.9 The cost of obtaining the certificate shall be borne in the manner reasonably directed by the Expert.

15 ISSUE OF SHARES

- 15.1 Subject to the provisions of the Act, **articles 3.4** (Investor Majority Reserved Matters) and **3.5** (Investor Super Majority Reserved Matters) and to the following provisions of this **article 15**, all unissued shares shall be at the disposal of the Directors and they may allot, grant rights, options or warrants to subscribe or otherwise dispose of them to such persons, at such times, and on such terms as they think proper.
- 15.2 Subject to **articles 3.4, 3.5** and **15.6**, all Shares or securities convertible into Shares which the Directors propose to issue from time to time ("**Offer Shares**") shall first be offered to all of the Shareholders (pro rata to their relative holdings of shares) ("**Proportionate Allocation**"), and at the same price at which the Offer Shares are proposed to be issued ("**Initial Offer**"). The Initial Offer shall be

made by notice specifying the number of Offer Shares and the price, and limiting a period (not being less than fourteen days) within which the offer, if not accepted in writing, will be deemed to be declined. The Initial Offer shall also invite each Shareholder to indicate if he is willing to purchase Offer Shares in excess of his Proportionate Allocation ("**Extra Shares**"), and if so, the number of Extra Shares.

- 15.3 On expiry of the Initial Offer (or sooner if applications or refusals have been received from all Shareholders and all requisite approvals have been given), the Company shall allot the Offer Shares as follows:
- 15.3.1 if the total number of Offer Shares applied for is equal to or less than the Offer Shares offered, each Shareholder shall be allocated the number applied for by him; or
 - 15.3.2 if the total number of Offer Shares applied for is more than the Offer Shares offered, each Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Offer Shares for which he has applied; and
 - 15.3.3 applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Shares have been allocated;
 - 15.3.4 fractional entitlements shall be rounded to the nearest whole number.
- 15.4 Any Offer Shares not allotted pursuant to **article 15.3** or not capable of being offered except by way of fractions shall for a period of two months thereafter be under the control of the Directors, who may, subject to the consent of an Investor Majority allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted pursuant to **article 15.2**, such Offer Shares shall only be allotted or otherwise disposed of on terms which are no more favourable in any respect to the subscribers for them than the terms on which they were offered to Shareholders and the Directors may not allot, grant options over or otherwise dispose of any Offer Shares after such period of two months without re-offering such Shares in accordance with **article 15.2**.
- 15.5 In accordance with Section 567(1) of the Act, Sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in Section 560(1) of the Act) made by the Company.
- 15.6 The provisions of **articles 15.1** and **15.2** shall not apply to:
- 15.6.1 the issue of any Shares or grant of any options pursuant to any employee share or option scheme approved in accordance with **article 3.4** (Investor Majority Reserved Matters); or
 - 15.6.2 the issue of any Shares upon the conversion of any Preferred Shares; or
 - 15.6.3 any issue of Shares pursuant to **article 4** (Anti-Dilution Protection); or

- 15.6.4 Shares issued in connection with a *bona fide* business acquisition by the Company which is approved in writing by an Investor Majority; or
- 15.6.5 Shares issued or issuable pursuant to bona fide strategic transactions, equipment lease financings or bank credit arrangements entered into for primarily non-equity financing purposes (in each case which has been approved in writing by an Investor Majority); or
- 15.6.6 any issue of Shares where the rights of the Shareholders under **articles 15.1** and **15.2** are waived by the Board, an Investor Super Majority and the Ordinary Majority on behalf of all Shareholders.

16 GENERAL MEETINGS

The Directors may call general meetings and, on the requisition of Shareholders pursuant to the provisions of the Act, shall promptly proceed to convene a general meeting for a date not later than 4 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Shareholder may call a general meeting.

17 PROCEEDINGS AT GENERAL MEETINGS

- 17.1 No business shall be transacted at any meeting unless a quorum is present. The quorum shall be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a Shareholder being a corporation provided also that one or more persons holding shares comprising or representing an Investor Majority shall be present. If a notice of a meeting of Shareholders has been given and a quorum is not present within half an hour after the time and place of the meeting, such meeting shall be adjourned for the same day in the next week at the same time and in the same place or as near to the same time and in the same place as is practicable and if at the adjourned meeting a quorum is not present or ceases to be present then the member or members present shall be a quorum.
- 17.2 The Chairman, if any, of the Board shall preside as Chairman of the meeting, but if the Chairman is not present within 30 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chairman and, if there is only one Director present and willing to act, he shall be Chairman. If no Director is willing to act as Chairman, or if no Director is present within 30 minutes after the time appointed for holding the meeting, the Shareholders present and entitled to vote shall choose one of their number to be Chairman.
- 17.3 A Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.
- 17.4 The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice shall be given specifying the time and the place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

17.5 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

17.5.1 by the Chairman; or

17.5.2 by at least one Shareholder having the right to vote at the meeting,

and a demand by a person as proxy for a Shareholder shall be the same as a demand by the Shareholder.

17.6 A poll on any matter shall be taken immediately.

17.7 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall not be entitled to a casting vote in addition to any other vote he may have.

18 VOTING AT GENERAL MEETINGS

18.1 Subject to **article 7.3.1** and the following provisions of this **article 18**, on a show of hands every Shareholder present in person or (if a corporation) present by a representative duly authorised in accordance with the Act who is not also himself a Shareholder entitled to vote, shall have one vote, and on a poll every Shareholder shall have one vote for every Share of which he is the holder (in the case of holders of Preferred Shares, as though the Preferred Shares of such holder had been fully converted into Ordinary Shares in accordance with **article 3.2**).

18.2 No Shareholder shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class unless all calls or other sums presently payable by him in respect of Shares of the Company have been paid.

18.3 On a poll votes may be given either personally or by proxy.

18.4 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointor (if a corporation, under the hand of a duly authorised officer of the corporation) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.

18.5 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may be deposited at the registered office, or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, not later than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or and an instrument of proxy which is not deposited or delivered in the manner so permitted shall be invalid.

18.6 In the case of joint holders the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members of the Company.

18.7 If at a general meeting a resolution is proposed for the removal from office of any Investor Director, and an Investor Majority shall vote on a poll against such resolution and the total number of votes cast against such resolution would (in

the absence of this **article 18.7**) be insufficient to prevent it being passed by the Company in general meeting, then an Investor Majority shall in relation to that resolution carry such number of votes in respect of its or their holding of Preferred Shares as is equivalent to 51 per cent. of the total number of votes cast (including those conferred pursuant to this **article 18.7**).

19 NUMBER, APPOINTMENT AND REMUNERATION OF DIRECTORS

- 19.1 The number of Directors shall not be more than eight (unless both the Investor Majority and a majority of the Board agree otherwise).
- 19.2 For so long as at least one of them is a Shareholder, the Accel Investors, by notice in writing in accordance with **article 19.10**, may from time to time collectively between them appoint up to one person to be a Director of the Company and each other Group Company. The person holding office pursuant to this **article 19.2** is referred to in these Articles as the "**Accel Investor Director**". An Accel Investor Director shall hold office subject to **article 23** and may at any time be removed from office by either Accel Investor.
- 19.3 For so long as it is a Shareholder, Balderton, by notice in writing in accordance with **article 19.10**, may from time to time appoint one person to be a Director of the Company and each other Group Company. The person holding office pursuant to this **article 19.3** is referred to in these Articles as the "**Balderton Investor Director**". A Balderton Investor Director shall hold office subject to **article 23** and may at any time be removed from office by Balderton.
- 19.4 For so long as it is a Shareholder, Episode 1, by notice in writing in accordance with **article 19.10**, may from time to time appoint one person to be a Director of the Company and each other Group Company. The person holding office pursuant to this **article 19.4** is referred to in these Articles as the "**Episode 1 Investor Director**". An Episode 1 Investor Director shall hold office subject to **article 23** and may at any time be removed from office by Episode 1.
- 19.5 For so long as it is a Shareholder, Vitruvian, by notice in writing in accordance with **article 19.10**, may from time to time appoint one person to be a Director of the Company and each other Group Company. The person holding office pursuant to this **article 19.5** is referred to in these Articles as the "**Vitruvian Investor Director**". A Vitruvian Investor Director shall hold office subject to **article 23** and may at any time be removed from office by Vitruvian.
- 19.6 For so long as it is a Shareholder, Daimler, by notice in writing in accordance with **article 19.10**, may from time to time appoint one person to be a Director of the Company and each other Group Company. The person holding office pursuant to this **article 19.6** is referred to in these Articles as the "**Daimler Investor Director**". A Daimler Investor Director shall hold office subject to **article 23** and may at any time be removed from office by Daimler.
- 19.7 The Manager, by notice in writing in accordance with **article 19.10**, may from time to time and for so long as he is not In Breach appoint (a) himself to be a Director of the Company for so long as he is a Shareholder; and (b) one additional person to be a Director of the Company for so long as he is a Shareholder and holds not less than 10% of the Fully Diluted Share Capital of the Company. Any person holding office pursuant to this **article 19.7** shall do so subject to **article 23** and may at any time be removed from office by the Manager and any person appointed pursuant to **article 19.7** shall be removed from office (at no cost to the Company) if the Manager is In Breach or ceases to hold at least 10% of the Fully Diluted Share Capital of the Company.

- 19.8 Where the Manager ceases to be entitled to appoint an additional person to be a Director pursuant to **article 19.7**, the Board (acting by majority decision but with the consent of an Investor Majority) shall be entitled to appoint a person to be a Director of the Company, such person either to be a member of the management of the Company, or an independent person.
- 19.9 The Board may by resolution from time to time appoint, remove and replace up to two further persons to be Directors. Each person holding office pursuant to this **article 19.9** is referred to as an **"Independent Director"**. One Independent Director shall, subject to the approval of the Board and an Investor Majority be nominated the Chairman of the Board.
- 19.10 Any appointment, replacement or removal of an Investor Director or any Director pursuant to **article 19.2, 19.3, 19.4, 19.5, 19.6 or 19.8** shall be made by notice in writing by the relevant Investor, the Manager or the Board respectively and shall take effect on and from the date on which such notice is lodged at the registered office for the time being of the Company or delivered to a meeting of the Directors.
- 19.11 The Board may by resolution and subject always to **article 3.4** (Investor Majority Reserved Matters) from time to time appoint, remove and replace one person to be the CEO. The CEO from time to time shall hold office as a Director.
- 19.12 Any Director appointed pursuant to **article 19.8 or 19.9** shall hold office subject to **article 23** and may at any time be removed from office by a resolution of the Board (excluding the Director who is proposed to be removed) and shall take effect on and from the date of such resolution.
- 19.13 No Director shall be required to vacate his office as a Director nor shall any person be ineligible for appointment as a Director by reason of his having attained any particular age and the Directors shall not be required to retire by rotation.
- 19.14 Subject always to **article 3.4** (Investor Majority Reserved Matters), the remuneration of a CEO, managing director or any Director who may be appointed to any other office in the management, administration or conduct of the business of the Company shall from time to time (subject to the provisions of any agreement between him and the Company) be fixed by the Directors.
- 19.15 Each Institutional Investor shall be entitled, by notice in writing to the Company, to appoint and maintain in position one person to be an observer to the Board and each committee of the Board (each an **"Investor Observer"**) from time to time, to remove any Investor Observer appointed by it from time to time and to appoint some other person in his place, provided that Balderton shall not be entitled to appoint an Investor Observer for so long as a Balderton Investor Director is in office, Daimler shall not be entitled to appoint an Investor Observer for so long as a Daimler Investor Director is in office, and Episode 1 shall not be entitled to appoint an Investor Observer for so long as an Episode 1 Investor Director is in office.
- 19.16 Each Investor Observer shall be entitled to receive notice of and to attend and speak, but not to vote, at every meeting of the Board and each committee of the Board, and to receive copies of all other information given to the Board.

20 ALTERNATE DIRECTORS

- 20.1 Each Director shall be entitled to nominate either another Director or any other person willing to act as his alternate Director, and at his discretion to remove such alternate Director in each case by notice in writing to the Company. An alternate Director shall have the same entitlement as his appointor to receive notices of meetings of the Directors and to attend, vote and be counted for the purpose of a quorum at any meeting at which his appointor is not personally present, and generally in the absence of his appointor at such meeting to exercise and discharge all the functions, powers and duties of his appointor.
- 20.2 Save as otherwise provided in these Articles an alternate Director shall during his appointment be deemed to be a Director for the purposes of these Articles, shall not be deemed to be an agent of his appointor, shall alone be responsible to the Company for his own acts or defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
- 20.3 An alternate Director shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company nor to appoint another person as his alternate. The appointment of an alternate Director shall immediately and automatically determine if his appointor ceases for any reason to be a Director or on the happening of an event which, if he were a Director, would cause him to vacate the office of Director, or if by written notice to the Company he shall resign such appointment.

21 POWERS OF DIRECTORS

- 21.1 Subject to the provisions of the Act, the Memorandum and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.
- 21.2 The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any company which is or was a subsidiary of the Company or allied to or associated with the Company or any such subsidiary, or of any of the predecessors in business of the Company or of any such other company, and the spouses, widows, widowers, families and dependants of any such persons, and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons.

22 DELEGATION OF DIRECTORS' POWERS

The Directors may delegate any of their powers to any committee consisting of two or more Directors, two of whom must be Investor Directors. They may also delegate to any CEO, managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with three or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

23 DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 23.1 The office of a Director shall be vacated in any of the following events namely:
- 23.1.1 if he resigns his office by notice in writing to the Company;
 - 23.1.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - 23.1.3 if he is, or may be, suffering from mental disorder and either:
 - (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - (b) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - 23.1.4 if he becomes prohibited by law from being a Director; or
 - 23.1.5 in the case of Directors other than an Investor Director or subject to **article 19.8**, a Director appointed pursuant to **article 19.6**, if a majority of his co-Directors (including an Investor Director) serve notice on him in writing removing him from office.

24 PROCEEDINGS OF DIRECTORS

- 24.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. An Investor Director may call a meeting of the Directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall not have a second or casting vote. An Investor Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 24.2 Subject to **article 24.3** notice of every meeting of the Directors shall be given to every Director and to his alternate (if any) and the non-receipt of notice by any Director or alternate Director shall not invalidate the proceedings of the Directors. Unless all the Directors indicate their willingness to accept shorter notice of a meeting of Directors at least 5 Business Days' notice save in the case of emergency shall be given of the time place and purpose of the meeting. Every notice of a meeting of the Directors required to be given under these Articles shall be in writing and may be served personally or sent by prepaid letter post, facsimile or electronic mail to the address for the time being notified for the purpose and shall be accompanied by an agenda specifying the business to be transacted. In the case of an emergency a notice period of less than 5 Business Days is permitted on the basis that before such emergency meeting is held a telephonic conference call shall be attempted with any Director not present at such meeting and in respect of whom no apology for non-attendance at such meeting has been received. Not fewer than 8 fixed meetings of the Board shall take place in each financial year of the Company on such dates as the Board shall agree prior to the start of each financial year of the Company (and provided that no more be at more than 8 week intervals).

- 24.3 Any Director resident outside or for the time being absent from the United Kingdom shall be entitled to be given reasonable notice of meetings of the Directors to such address if any (whether inside or outside the United Kingdom) as the Director may from time to time notify to the Company. Every notice of meeting referred to in **article 24.2** shall be sent to the Director resident outside the United Kingdom by pre-paid letter by post or electronic mail to the address or number for the time being supplied for the purpose to the Company.
- 24.4 The quorum necessary for the transaction of the business of the Directors shall be three persons present in person or represented by an alternate, if appointed, at least two of whom must be Investor Directors. If a notice of meeting has been given and a quorum is not present within 30 minutes following the time of the meeting, such meeting shall be adjourned for the same day in the next week at the same time and in the same place or as near to the same time and in the same place as is practicable. If within 30 minutes following the time at which such meeting has been reconvened, a quorum is not present, the Directors present at the expiry of such 30-minute period shall constitute a valid quorum of the Board on that occasion (provided that at least two directors are present, one of whom is an Investor Director).
- 24.5 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, they or he may act only for the purpose of calling a general meeting.
- 24.6 All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a telephonic conference or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is not such group, where the chairman of the meeting then is.
- 24.7 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 24.8 A resolution in writing signed or approved by letter, facsimile or e-mail by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the same terms each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.

25 DIRECTORS' INTERESTS AND CONFLICTS

- 25.1 The Directors may (subject to such terms and conditions, if any, as they may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law, any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts,

or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties), provided that the authorisation is only effective if:

- 25.1.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
 - 25.1.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 25.2 If a matter has been authorised by the Directors in accordance with **article 25.1** (an "**approved matter**") then (subject to such terms and conditions, if any, as the Directors may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant Director:
- 25.2.1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that approved matter;
 - 25.2.2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the approved matter which also relates to the Company;
 - 25.2.3 may be required by the Company not to attend any part of a meeting of the Directors at which anything relevant to the approved matter is to be discussed and any related board papers may be withheld from that Director;
 - 25.2.4 may absent himself from discussions, whether in meetings of the Directors or otherwise, and exclude himself from information, which may be relevant to the approved matter;
 - 25.2.5 shall not, by reason of his office as a Director, be accountable to the Company for any benefit which he derives from the approved matter.
- 25.3 A Director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of a Group Company which would be caught by section 175(1) of the Act, be a Director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other Group Company (or such other undertaking as the majority holder shall approve in writing) (a "**Group Company Interest**") and the Director in question:
- 25.3.1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the Directors or a committee of the board of Directors at which any matter which is or may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee of the board of Directors relating to such matter or to take any decision relating to such matter pursuant to **article 3.4 (Reserved Matters)**, and any board or committee papers relating to such matter shall be provided to the Director in question at the same time as the other Directors;

- 25.3.2 shall not be obliged to account to the Company for any benefit which he derives from a Group Company Interest;
- 25.3.3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a Director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any other group company or third party.
- 25.4 The provisions of **articles 25.1 to 25.3** (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this **article 25.4** and **article 25.5** shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act.
- 25.5 Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 and 182 of the Act, a Director may vote at a meeting of the board of Directors or of a committee of the board of Directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.

26 NOTICES

- 26.1 A notice may be given by the Company to any Shareholder either personally or by sending it by pre-paid post or facsimile to his registered address or to any other address supplied by him to the Company for the giving of notice to him, but in the absence of such address the Shareholder shall not be entitled to receive from the Company notice of any meeting. A properly addressed and pre-paid notice sent by post shall be deemed to have been given upon the first Business Day following that on which the notice is posted. A Shareholder giving to the Company an address outside the United Kingdom shall be entitled to receive all notices by airmail or facsimile (at the Company's option). A properly addressed and pre-paid notice by airmail shall be deemed to have been given upon the third Business Day following that on which the notice is posted.
- 26.2 A notice given by facsimile or electronic mail shall be deemed to have been given at the same time as it is transmitted if it is transmitted between 9am and 5pm London time on a Business Day, or where such notice is transmitted outside of these hours, it shall be deemed to have been given at 9am on the following Business Day.
- 26.3 In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.
- 26.4 Except as otherwise provided herein, all notices to be given pursuant to these Articles shall be in writing.

27 CAPITALISATION

In article 36 of the Model Articles the words "ordinary resolution" shall be replaced by the words "special resolution".

28 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

29 INDEMNITY AND INSURANCE

- 29.1 Subject to the provisions of the Act, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by any court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in connection with the proper execution by such Director of the duties of his office. This **article 29.1** shall only have effect in so far as its provisions are not voided by section 232 of the Act.
- 29.2 The Board shall have power to purchase and maintain for any Director or other officer of the Company insurance against any liability which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

30 DATA PROTECTION

- 30.1 Each of the Shareholders, Crowdcube Investors and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a "**Recipient**") for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 30.2 The personal data that may be processed for such purposes under this **article 30** shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (any interest in any Shares or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
- 30.2.1 a member of the same Group as the Recipient (each a "**Recipient Group Company**");
 - 30.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
 - 30.2.3 funds managed by any of the Recipient Group Companies.

- 30.3 Each of the Shareholders, Crowdcube Investors and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.