

# SH10

## Notice of particulars of variation of rights attached to shares



☒ **What this form is for**  
You may use this form to give notice of particulars of variation of rights attached to shares.

☐ **What this form is NOT for**  
You cannot use this form to give notice of particulars of variation of class rights of members of company without share certificate. To do this, please use form SH10/1.

THURSDAY



A21 \*A853P2S1\* 09/05/2019 #419  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 3 0 2 5 4 9

Company name in full LENDING WORKS LIMITED

#### Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by \*

### 2 Date of variation of rights

Date of variation of rights 0 1 0 5 2 0 1 9

### 3 Details of variation of rights

Please give details of the variation of rights attached to shares.

Variation Please see continuation pages.

#### Continuation pages

Please use a continuation page if you need to enter more details.

### 4 Signature

I am signing this form on behalf of the company.

Signature

Signature

X *Nicholas* X

This form may be signed by:

Director (1) Secretary, Person authorised (2) Administrator, Administrative receiver, Receiver, Receiver manager, Charity commission receiver and manager, CIC manager.

#### 1 Societas Europaea

If the form is being filed on behalf of a Societas Europaea (SE), please delete 'director' and insert details of which organ of the SE the person signing has membership.

#### 2 Person authorised

Under either Section 270 or 274 of the Companies Act 2006.

# SH10

## Notice of particulars of variation of rights attached to shares

### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name  
Hannah Elliott

Company name  
Fox Williams LLP

Address  
10 Finsbury Square  
London

Post town

County/Region

Postcode  
E C 2 A 1 A F

Country

DX

Telephone  
020 7628 2615

### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have entered the date of variation of rights in section 2.
- ☐ You have provided details of the variation of rights in section 3.
- ☐ You have signed the form.

### Important information

Please note that all information on this form will appear on the public record.

### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

**For companies registered in England and Wales:**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**For companies registered in Scotland:**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post).

**For companies registered in Northern Ireland:**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG.  
DX 481 N.R. Belfast 1.

### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

**Variations to Ordinary Shares prescribed particulars**

**Voting**

Each Ordinary Share carries the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

These rights are subject to the limits in article 33 of the Articles.

**Dividends**

Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Equity Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.

Save with Investor Consent, no dividends shall be paid in respect of any Share until such time as the 2019 Loan Notes have been redeemed in full or converted into Shares in accordance with a 2019 Loan Note Instrument.

These rights are subject to the limits in article 33 of the Articles.

**Return of Capital**

1.1 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares, in either case carried out with Investor Consent) the Surplus Assets shall be applied as follows:

- (a) where the Surplus Assets are lower than the Hurdle Value, the following provisions shall apply:
  - (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(a)(i) if there are no Ordinary D Shares then in issue;
  - (ii) second, in paying the holders of Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying the holders of Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(ii);
  - (iii) third, in paying the holders of the Ordinary B Shares and the Ordinary C Shares in respect of each Ordinary B Share and Ordinary C Share held an amount equal to the Issue Price of such Ordinary B Share and Ordinary C Share and in paying the holders of the Ordinary Shares, the Ordinary A Shares and the Ordinary D Shares an amount equal to the nominal value of each Ordinary Share, Ordinary A Share and Ordinary D Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iii);

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

- (iv) fourth, in paying the holders of the Ordinary B Shares and Ordinary C Shares an amount equal to the nominal value of each Ordinary B Share and Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Ordinary Shares, Ordinary A Shares and Ordinary D Shares pro rata (as if such Ordinary Shares, Ordinary A Shares and Ordinary D Shares constitute for these purposes a single class of shares) to the number of such Ordinary Shares, Ordinary A Shares and Ordinary D Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iv);
  - (b) where the Surplus Assets are equal to or greater than the Hurdle Value, paragraph 1.1(a) shall not apply and the following provisions shall apply:
    - (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(b)(i) if there are no Ordinary D Shares then in issue;
    - (ii) second, subject always to paragraph 1.2, in paying to the holders of the Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying to the holders of the Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(ii);
    - (iii) third, subject always to paragraph 1.2 below, in paying to the holders of the Ordinary C Shares an amount equal to the nominal value of each Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Equity Shares pro rata (as if such Equity shares constitute for these purposes a single class of shares) to the number of such Equity Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(iii).
- 1.2 In the event that the amount paid to each Ordinary B Share and each Ordinary C Share pursuant to paragraph 1.1(b) is less than the amount that would have been paid to each of those Shares in the event that the Surplus Assets were distributed pursuant to paragraph 1.1(a) (the **Shortfall**), the Surplus Assets payable to the holders of Shares pursuant to paragraph 1.1(b)(ii) and/or paragraph 1.1(b)(iii) shall be re-allocated to satisfy the Shortfall in respect of each Ordinary B Share and each Ordinary C Share and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary B Shares and Ordinary C Shares in proportion to their respective full entitlements under this paragraph 1.2.

These rights are subject to the limits in article 33 of the Articles.

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

**Non-redeemable**

The Ordinary Shares are non-redeemable.

**Variations to Ordinary A Shares prescribed particulars**

**Voting**

If an Event of Default has occurred or is subsisting (provided that the Investors (acting by Investor Consent) shall have first given to the Company written notice to enfranchise such shares (an Activation Notice), then the number of voting rights attaching to the Ordinary A Shares and Ordinary B Shares (as if such Ordinary A Shares and Ordinary B Shares constituted for these purposes a single class of shares) at any general meeting or on any written resolution shall be such number as is equal to 90% of the total voting rights attaching to all Shares in issue at the date of such meeting or the date of circulation of such written resolution.

The enhanced voting rights attached to the Ordinary A Shares and Ordinary B Shares as set out above shall continue for so long as the relevant event or circumstance continues to subsist or until such matter is waived or otherwise remedied to the reasonable satisfaction, confirmed in writing, of the Investor Fund Managers or the Activation Notice shall have been revoked in writing whereupon the voting rights attached to the Ordinary A Shares and the Ordinary B Shares shall be as follows (unless and until the enhanced rights set out above shall have been activated by a further Activation Notice): Each Equity Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

These rights are subject to the limits in article 33 of the Articles.

**Dividends**

Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Equity Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.

Save with Investor Consent, no dividends shall be paid in respect of any Share until such time as the 2019 Loan Notes have been redeemed in full or converted into Shares in accordance with a 2019 Loan Note Instrument.

These rights are subject to the limits in article 33 of the Articles.

**Return of Capital**

1.1 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares, in either case carried out with Investor Consent) the Surplus Assets shall be applied as follows:

- (a) where the Surplus Assets are lower than the Hurdle Value, the following provisions shall apply:
  - (v) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(a)(i) if there are no Ordinary D Shares then in issue;
  - (vi) second, in paying the holders of Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying the holders of Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in

- full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(ii);
- (vii) third, in paying the holders of the Ordinary B Shares and the Ordinary C Shares in respect of each Ordinary B Share and Ordinary C Share held an amount equal to the Issue Price of such Ordinary B Share and Ordinary C Share and in paying the holders of the Ordinary Shares, the Ordinary A Shares and the Ordinary D Shares an amount equal to the nominal value of each Ordinary Share, Ordinary A Share and Ordinary D Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iii);
  - (viii) fourth, in paying the holders of the Ordinary B Shares and Ordinary C Shares an amount equal to the nominal value of each Ordinary B Share and Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Ordinary Shares, Ordinary A Shares and Ordinary D Shares pro rata (as if such Ordinary Shares, Ordinary A Shares and Ordinary D Shares constitute for these purposes a single class of shares) to the number of such Ordinary Shares, Ordinary A Shares and Ordinary D Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iv);
- (b) where the Surplus Assets are equal to or greater than the Hurdle Value, paragraph 1.1(a) shall not apply and the following provisions shall apply:
- (iv) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(b)(i) if there are no Ordinary D Shares then in issue;
  - (v) second, subject always to paragraph 1.2, in paying to the holders of the Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying to the holders of the Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(ii);
  - (vi) third, subject always to paragraph 1.2 below, in paying to the holders of the Ordinary C Shares an amount equal to the nominal value of each Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Equity Shares pro rata (as if such Equity shares constitute for these purposes a single class of shares) to the number of such Equity Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(iii).

- 1.2 In the event that the amount paid to each Ordinary B Share and each Ordinary C Share pursuant to paragraph 1.1(b) is less than the amount that would have been paid to each of those Shares in the event that the Surplus Assets were distributed pursuant to paragraph 1.1(a) (the **Shortfall**), the Surplus Assets payable to the holders of Shares pursuant to paragraph 1.1(b)(ii) and/or paragraph 1.1(b)(iii) shall be re-allocated to satisfy the Shortfall in respect of each Ordinary B Share and each Ordinary C Share and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary B Shares and Ordinary C Shares in proportion to their respective full entitlements under this paragraph 1.2.

These rights are subject to the limits in article 33 of the Articles.

**Non-redeemable**

The Ordinary A Shares are non-redeemable.



**Variations to Ordinary B Shares prescribed particulars**

**Voting**

If an Event of Default has occurred or is subsisting (provided that the Investors (acting by Investor Consent) shall have first given to the Company written notice to enfranchise such shares (an Activation Notice), then the number of voting rights attaching to the Ordinary A Shares and Ordinary B Shares (as if such Ordinary A Shares and Ordinary B Shares constituted for these purposes a single class of shares) at any general meeting or on any written resolution shall be such number as is equal to 90% of the total voting rights attaching to all Shares in issue at the date of such meeting or the date of circulation of such written resolution.

The enhanced voting rights attached to the Ordinary A Shares and Ordinary B Shares as set out above shall continue for so long as the relevant event or circumstance continues to subsist or until such matter is waived or otherwise remedied to the reasonable satisfaction, confirmed in writing, of the Investor Fund Managers or the Activation Notice shall have been revoked in writing whereupon the voting rights attached to the Ordinary A Shares and the Ordinary B Shares shall be as follows (unless and until the enhanced rights set out above shall have been activated by a further Activation Notice): Each Equity Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

These rights are subject to the limits in article 33 of the Articles.

**Dividends**

Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Equity Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.

Save with Investor Consent, no dividends shall be paid in respect of any Share until such time as the 2019 Loan Notes have been redeemed in full or converted into Shares in accordance with a 2019 Loan Note Instrument.

These rights are subject to the limits in article 33 of the Articles.

**Return of Capital**

1.1 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares, in either case carried out with Investor Consent) the Surplus Assets shall be applied as follows:

- (a) where the Surplus Assets are lower than the Hurdle Value, the following provisions shall apply:
  - (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(a)(i) if there are no Ordinary D Shares then in issue;
  - (ii) second, in paying the holders of Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying the holders of Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in

- full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(ii);
- (iii) third, in paying the holders of the Ordinary B Shares and the Ordinary C Shares in respect of each Ordinary B Share and Ordinary C Share held an amount equal to the Issue Price of such Ordinary B Share and Ordinary C Share and in paying the holders of the Ordinary Shares, the Ordinary A Shares and the Ordinary D Shares an amount equal to the nominal value of each Ordinary Share, Ordinary A Share and Ordinary D Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iii);
  - (iv) fourth, in paying the holders of the Ordinary B Shares and Ordinary C Shares an amount equal to the nominal value of each Ordinary B Share and Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Ordinary Shares, Ordinary A Shares and Ordinary D Shares pro rata (as if such Ordinary Shares, Ordinary A Shares and Ordinary D Shares constitute for these purposes a single class of shares) to the number of such Ordinary Shares, Ordinary A Shares and Ordinary D Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iv);
- (b) where the Surplus Assets are equal to or greater than the Hurdle Value, paragraph 1.1(a) shall not apply and the following provisions shall apply:
- (vii) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(b)(i) if there are no Ordinary D Shares then in issue;
  - (viii) second, subject always to paragraph 1.2, in paying to the holders of the Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying to the holders of the Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(ii);
  - (ix) third, subject always to paragraph 1.2 below, in paying to the holders of the Ordinary C Shares an amount equal to the nominal value of each Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Equity Shares pro rata (as if such Equity shares constitute for these purposes a single class of shares) to the number of such Equity Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(iii).

- 1.2 In the event that the amount paid to each Ordinary B Share and each Ordinary C Share pursuant to paragraph 1.1(b) is less than the amount that would have been paid to each of those Shares in the event that the Surplus Assets were distributed pursuant to paragraph 1.1(a) (the **Shortfall**), the Surplus Assets payable to the holders of Shares pursuant to paragraph 1.1(b)(ii) and/or paragraph 1.1(b)(iii) shall be re-allocated to satisfy the Shortfall in respect of each Ordinary B Share and each Ordinary C Share and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary B Shares and Ordinary C Shares in proportion to their respective full entitlements under this paragraph 1.2.

These rights are subject to the limits in article 33 of the Articles.

**Non-redeemable**

The Ordinary B Shares are non-redeemable.

**Variations to Ordinary C Shares prescribed particulars**

**Voting**

The Ordinary C Shares do not confer any voting rights on the holders of such Shares.

**Dividends**

The Ordinary C Shares shall not be entitled to any dividend.

**Return of Capital**

- 1.1 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares, in either case carried out with Investor Consent) the Surplus Assets shall be applied as follows:
- (a) where the Surplus Assets are lower than the Hurdle Value, the following provisions shall apply:
    - (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(a)(i) if there are no Ordinary D Shares then in issue;
    - (ii) second, in paying the holders of Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying the holders of Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(ii);
    - (iii) third, in paying the holders of the Ordinary B Shares and the Ordinary C Shares in respect of each Ordinary B Share and Ordinary C Share held an amount equal to the Issue Price of such Ordinary B Share and Ordinary C Share and in paying the holders of the Ordinary Shares, the Ordinary A Shares and the Ordinary D Shares an amount equal to the nominal value of each Ordinary Share, Ordinary A Share and Ordinary D Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iii);
    - (iv) fourth, in paying the holders of the Ordinary B Shares and Ordinary C Shares an amount equal to the nominal value of each Ordinary B Share and Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Ordinary Shares, Ordinary A Shares and Ordinary D Shares pro rata (as if such Ordinary Shares, Ordinary A Shares and Ordinary D Shares constitute for these purposes a single class of shares) to the number of such Ordinary Shares, Ordinary A Shares and Ordinary D Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iv);

- (b) where the Surplus Assets are equal to or greater than the Hurdle Value, paragraph 1.1(a) shall not apply and the following provisions shall apply:
- (x) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(b)(i) if there are no Ordinary D Shares then in issue;
  - (xi) second, subject always to paragraph 1.2, in paying to the holders of the Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying to the holders of the Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(ii);
  - (xii) third, subject always to paragraph 1.2 below, in paying to the holders of the Ordinary C Shares an amount equal to the nominal value of each Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Equity Shares pro rata (as if such Equity shares constitute for these purposes a single class of shares) to the number of such Equity Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(iii).
- 1.2 In the event that the amount paid to each Ordinary B Share and each Ordinary C Share pursuant to paragraph 1.1(b) is less than the amount that would have been paid to each of those Shares in the event that the Surplus Assets were distributed pursuant to paragraph 1.1(a) (the **Shortfall**), the Surplus Assets payable to the holders of Shares pursuant to paragraph 1.1(b)(ii) and/or paragraph 1.1(b)(iii) shall be re-allocated to satisfy the Shortfall in respect of each Ordinary B Share and each Ordinary C Share and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary B Shares and Ordinary C Shares in proportion to their respective full entitlements under this paragraph 1.2.

These rights are subject to the limits in article 33 of the Articles.

**Non-redeemable**

The Ordinary C Shares are non-redeemable.

**Ordinary D Shares prescribed particulars**

**Voting**

Each Ordinary D Share carries the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

**Dividends**

Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Equity Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.

Save with Investor Consent, no dividends shall be paid in respect of any Share until such time as the 2019 Loan Notes have been redeemed in full or converted into Shares in accordance with a 2019 Loan Note Instrument.

These rights are subject to the limits in article 33 of the Articles.

**Return of Capital**

1.1 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares, in either case carried out with Investor Consent) the Surplus Assets shall be applied as follows:

- (a) where the Surplus Assets are lower than the Hurdle Value, the following provisions shall apply:
  - (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(a)(i) if there are no Ordinary D Shares then in issue;
  - (ii) second, in paying the holders of Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying the holders of Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(ii);
  - (iii) third, in paying the holders of the Ordinary B Shares and the Ordinary C Shares in respect of each Ordinary B Share and Ordinary C Share held an amount equal to the Issue Price of such Ordinary B Share and Ordinary C Share and in paying the holders of the Ordinary Shares, the Ordinary A Shares and the Ordinary D Shares an amount equal to the nominal value of each Ordinary Share, Ordinary A Share and Ordinary D Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iii);
  - (iv) fourth, in paying the holders of the Ordinary B Shares and Ordinary C Shares an amount equal to the nominal value of each Ordinary B Share and Ordinary

C Share held and in paying the remaining Surplus Assets to the holders of the Ordinary Shares, Ordinary A Shares and Ordinary D Shares pro rata (as if such Ordinary Shares, Ordinary A Shares and Ordinary D Shares constitute for these purposes a single class of shares) to the number of such Ordinary Shares, Ordinary A Shares and Ordinary D Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(a)(iv);

(b) where the Surplus Assets are equal to or greater than the Hurdle Value, paragraph 1.1(a) shall not apply and the following provisions shall apply:

- (i) first, in paying the holders of Ordinary D Shares in respect of each Ordinary D Share held an amount equal to the D Share Return and in paying the holders of Equity Shares (other than Ordinary D Shares) and the Ordinary C Shares an amount equal to the nominal value of each such Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(i), provided always that no payment shall be made pursuant to this sub-paragraph 1.1(b)(i) if there are no Ordinary D Shares then in issue;
- (ii) second, subject always to paragraph 1.2, in paying to the holders of the Ordinary C Shares in respect of each Ordinary C Share held an amount equal to the C Share Return and in paying to the holders of the Equity Shares an amount equal to the nominal value of each Equity Share held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary C Shares and the Equity Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(ii);
- (iii) third, subject always to paragraph 1.2 below, in paying to the holders of the Ordinary C Shares an amount equal to the nominal value of each Ordinary C Share held and in paying the remaining Surplus Assets to the holders of the Equity Shares pro rata (as if such Equity shares constitute for these purposes a single class of shares) to the number of such Equity Shares held and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the remaining Surplus Assets shall be distributed to the holders of the Equity Shares and the Ordinary C Shares in proportion to their respective full entitlements under this sub-paragraph 1.1(b)(iii).

1.2 In the event that the amount paid to each Ordinary B Share and each Ordinary C Share pursuant to paragraph 1.1(b) is less than the amount that would have been paid to each of those Shares in the event that the Surplus Assets were distributed pursuant to paragraph 1.1(a) (the **Shortfall**), the Surplus Assets payable to the holders of Shares pursuant to paragraph 1.1(b)(ii) and/or paragraph 1.1(b)(iii) shall be re-allocated to satisfy the Shortfall in respect of each Ordinary B Share and each Ordinary C Share and, if there is a shortfall of Surplus Assets to satisfy these entitlements in full, the Surplus Assets shall be distributed to the holders of the Ordinary B Shares and Ordinary C Shares in proportion to their respective full entitlements under this paragraph 1.2.

These rights are subject to the limits in article 33 of the Articles.

**Non-redeemable**

The Ordinary D Shares are non-redeemable.

## **DEFINITIONS**

**2019 Loan Note Instruments:** the loan note instruments entered into by the Company on or around the Adoption Date constituting the 2019 A Loan Notes and the 2019 B Loan Notes.

**2019 A Loan Notes:** the £715,829 unsecured fixed rate convertible Series A loan notes of the Company.

**2019 B Loan Notes:** the £139,171 unsecured fixed rate convertible Series B loan notes of the Company.

**2019 Loan Notes:** the 2019 A Loan Notes and the 2019 B Loan Notes.

**Articles:** the Company's articles of association for the time being in force.

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

**C Share Return:** in respect of each Ordinary C Share a sum equal to an amount equal to the result of the following formula calculated from the date of issue of that Ordinary C Share up to the date of the Exit or the date of return of capital (each date inclusive):

$$\left[ \frac{0.09}{365} \times \text{Issue Price} \right] \times \text{number of days from the date of issue to the date of the Exit or to the date of return of capital (whether such return of capital is in respect of a liquidation or capital reduction or otherwise);}$$

**Company:** means Lending Works Limited (company number 08302549).

**D Share Return:** in respect of each Ordinary D Share (i) a sum equal to an amount equal to 2 x the subscription price of the 2019 Loan Notes that have been converted into such Ordinary D Share and (ii) an amount equal to any accrued but unpaid interest on the 2019 Loan Note(s) converted into such Ordinary D Share.

**Disposal:** the disposal by the Company of all, or a substantial part of, its business and assets.

**Encumbrance:** means any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other encumbrance or security interest having a similar effect howsoever arising.

**Equity Shares:** the Ordinary Shares, the Ordinary A Shares, the Ordinary B Shares and the Ordinary D Shares.

**Exit:** a Share Sale, a Disposal or a Listing.

**Founders:** Nicholas Harding and Matthew Powell, each a Founder.

**Hurdle Value:** means the sum agreed by the Investors and the Founders from time to time.

**Investor Consent:** the prior written consent of the Investors.

**Investors:** the Maven Investors, the NVM Investors and the P2PGI Investors who, in each case, hold Shares and **Investor** shall be construed accordingly.

**Listing:** the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000).



**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

**Maven Investors:** the holders for the time being of Ordinary B Shares and/or Ordinary C Shares and/or Ordinary D Shares who are a Maven Investor signatory to the Investment Agreement and any other person who is joined as a Maven Investor in a deed of adherence to, and in the form required by, the Investment Agreement and each of their respective Permitted Transferees and **Maven Investor** means any of them.

**Member of the Same Group:** as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.

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

(a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);

(b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager;

(c) any trustee, nominee or custodian of such Investment Fund and vice versa;

(d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa; or

(e) any Member of the same Group as that Fund Manager.

**NVM Investors:** the holders for the time being of Ordinary A Shares and/or Ordinary B Shares and/or Ordinary C Shares and/or Ordinary D Shares who are an NVM Investor signatory to the Investment Agreement and any other person who is joined as an NVM Investor in a deed of adherence to, and in the form required by, the Investment Agreement and each of their respective Permitted Transferees and **NVM Investor** means any of them.

**Ordinary Shares:** the ordinary shares of £0.01 each in the capital of the Company.

**Ordinary A Shares:** the ordinary A shares of £0.01 each in the capital of the Company.

**Ordinary B Shares:** the ordinary B shares of £0.01 each in the capital of the Company.

**Ordinary C Shares:** the ordinary C shares of £0.000001 each in the capital of the Company.

**Ordinary D Shares:** the ordinary D shares of £0.01 each in the capital of the Company (if any have been issued following a conversion of the 2019 Loan Notes).

**P2PGI:** P2PGI Global Investments plc.

**P2PGI Investors:** P2PGI and any other person who is joined as a P2PGI Investor in a deed of adherence to, and in the form required by, the Investment Agreement and each of their respective Permitted Transferees and **P2PGI Investor** means any of them.

**Permitted Transferee:** in relation to:

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust;

(b) a Shareholder which is a company, a Member of the Same Group as that company; and

(c) each Investor, (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the Same Fund Group as that Investor), or (iv) any other Financial Institution or Institutional Investor.

**SH10 Notice of particulars of variation rights attached to shares continuation page**  
**Lending Works Limited (company no. 08302549)**

**Privileged Relation:** in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child or grandchild).

**Share Sale:** the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale.

**Shareholder:** a holder for the time being of any Share or Shares and **Shareholders** shall be construed accordingly.

**Shares:** shares (of any class) in the capital of the Company and **Share** shall be construed accordingly.

**Surplus Assets:** the assets of the Company available for distribution amongst the Shareholders after payment of its liabilities (including but not limited to the 2019 Loan Notes).