

Company number: 09370702

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS**

of

**TUTORA LTD**

**Passed on 7 October 2019**

Pursuant to chapter 2 of part 13 of the Companies Act 2006, the following ordinary resolution and special resolution (as indicated) were duly passed by the company as written resolution:

**ORDINARY RESOLUTION**

1. That the directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company, up to a maximum aggregate nominal amount of £72.16999, provided that:

the authority granted under this resolution shall expire five years after the passing of this resolution; and

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 of the Company contained in the document attached to these written resolutions be approved and adopted as the new articles of association of the Company (the "**New Articles**") in substitution for and to the entire exclusion of the existing articles of association.
3. That, subject to the passing of resolution 2, the directors of the Company be empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities pursuant to the authority contained in resolution 1 above as if section 561 of the Companies Act 2006 and any rights of pre-emption (however expressed) contained in the New Articles or otherwise did not apply to any such allotment.

  
.....  
Director



**EXECUTION COPY**

THE COMPANIES ACT 2006

**PRIVATE COMPANY LIMITED BY SHARES**

**NEW**

**ARTICLES OF ASSOCIATION**

**of**

**TUTORA LIMITED**

**(the "Company")**

(Adopted by a special resolution passed on

7 October 2019)

**1. Introduction**

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with the following Articles. Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof from time to time.
- 1.3 In these Articles, article headings are used for convenience only and shall not affect the construction or interpretation of these Articles.

**2. Defined Terms**

- 2.1 In these Articles the following words and expressions shall have the following meanings:

<b>Act</b>	means the Companies Act 2006 (as amended from time to time)
<b>Acting in Concert</b>	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)
<b>A Ordinary Director</b>	means such director(s) of the Company nominated by the A Ordinary Majority pursuant to Article 22.2
<b>A Ordinary Majority</b>	means the holder(s) of a majority of the A Ordinary Shares in issue, from time to time
<b>A Ordinary Shareholders</b>	means the holders of A Ordinary Shares
<b>A Ordinary Shares</b>	means the A Ordinary Shares of £0.00001 each in the

capital of the Company from time to time

<b>Anti-Dilution Shares</b>	means the Seed Anti-Dilution Shares and/or the C Ordinary Anti-Dilution Shares
<b>Asset Sale</b>	means the disposal by the Company, or the entering into by the Company of an exclusive licence; in each case in respect, of all or substantially all of its undertaking and assets
<b>Auditors</b>	means the auditors of the Company from time to time
<b>Bad Leaver</b>	<p>a holder of Leaver Shares who:</p> <ul style="list-style-type: none"><li>a) becomes a Leaver through an act of fraud, gross misconduct or through dismissal without notice or payment in lieu of notice pursuant to the terms of such Leaver's contract of employment or consultancy for conduct involving dishonesty (other than, in the case of dishonesty, a trivial matter in the opinion of the NVM Director, acting reasonably); or</li><li>b) is a Founder and is in breach of any of his obligations under clause 12 (Restrictive Covenants) under the Investment Agreement;</li><li>c) becomes a Leaver and is in breach of any of his obligations under any restrictive covenant provision in his employment contract with a member of the Group (whether he becomes a Leaver due to such breach or not and whenever such breach occurs)</li></ul>
<b>B Investment Shareholders</b>	means the holders of the B Investment Shares
<b>B Investment Shares</b>	means the B Investment Shares of £0.00001 each in the capital of the Company from time to time
<b>Board</b>	means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles
<b>Bonus Issue or Reorganisation</b>	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company (in each case other than in respect of the grant of options under any Share Option

Plan)

<b>Business Day</b>	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday)
<b>C Ordinary Shares</b>	means the C1 Ordinary Shares and the C2 Ordinary Shares
<b>C1 Ordinary Shares</b>	means the C1 Ordinary Shares of £0.00001 each in the capital of the Company from time to time
<b>C2 Ordinary Shares</b>	means the C2 Ordinary Shares of £0.00001 each in the capital of the Company from time to time
<b>C Ordinary Anti-Dilution Shares</b>	shall have the meaning given in Article 6.2
<b>C Ordinary Share Yield</b>	a return equal to an annual simple (and non-compounding) rate of interest on the aggregate Original Purchase Price of all C Ordinary Shares of 3% above the average one year LIBOR rate during the month prior to the Date of Adoption
<b>Chairman</b>	the chairman of the Board appointed pursuant to Article 22.9
<b>Civil Partner</b>	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder
<b>Connected Person</b>	any person with whom any relevant person is connected (as determined in accordance with the provisions of section 1122 CTA)
<b>Controlling Interest</b>	means an interest in shares giving to the holder or holders control of the Company within the meaning of Section 1124 of the CTA, and "Control" shall be construed accordingly
<b>CTA</b>	the Corporation Tax Act 2010
<b>Date of Adoption</b>	means the date on which these Articles were adopted
<b>Default Event</b>	has the meaning given to such term in Article 21.9.1

<b>Default Notice</b>	has the meaning given to such term in Article 21.9.2
<b>Deferred Shares</b>	means deferred shares of £0.00001 each in the capital of the Company from time to time
<b>Director(s)</b>	means a director or directors of the Company from time to time
<b>Effective Termination Date</b>	means the date on which the Leaver's employment or consultancy terminates
<b>Employee</b>	means an individual who is employed by, a director of, or who provides consultancy services to, the Company or any Group Company
<b>Encumbrance</b>	means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law)
<b>Equity Shares</b>	means the Seed Shares, the B Investment Shares, the A Ordinary Shares, the C Ordinary Shares
<b>Fair Value</b>	is as determined in accordance with Article 12.3
<b>Family Trusts</b>	means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or Privileged Relation(s) of that individual
<b>Founder</b>	means Mark Hughes
<b>Fund Manager</b>	means a person whose principal business is to make, manage or advise upon investments in securities
<b>Good Leaver</b>	the Founder who becomes a Leaver: <ul style="list-style-type: none"> <li>a) by the termination of his employment or directorship by the relevant Group Company in circumstances that are determined by a court or an Employment Tribunal to be or to amount to wrongful dismissal;</li> <li>b) by the termination of his employment or</li> </ul>

- directorship by the relevant Group Company as a result of redundancy proceedings;
- c) by the termination of his employment or directorship by the relevant Group Company in circumstances that are determined by a court or an Employment Tribunal to be or to amount to unfair dismissal (other than solely on procedural grounds);
- d) through death or critical illness (other than through alcohol or substance abuse and as certified by a medical practitioner); or
- e) is otherwise deemed to be a Good Leaver by a majority of the Board with Investor Consent

<b>Group</b>	means the Company and its subsidiary undertaking(s) (if any) from time to time
<b>Group Company</b>	means any member of the Group
<b>Holding Company</b>	means a newly formed holding company, pursuant to which the shareholders of, and the proportion and class(es) of shares held by each of them in, such holding company (immediately after a transfer of the issued share capital of the Company to such holding company) are the same as the shareholders of and their shareholdings in the Company immediately prior to the transfer of the issued share capital of the Company to such holding company
<b>Intermediate Leaver</b>	the Founder who becomes a Leaver in circumstances where he is not a Bad Leaver or Good Leaver
<b>Investor Affiliate</b>	members of an Investor Group and any company or fund the assets of which are managed or advised (whether solely or jointly with others) from time to time by NVM or any member of its Investor Group
<b>Investor Consent</b>	means the prior written consent of: <ul style="list-style-type: none"> <li>a) the holders of the majority of the C Ordinary Shares acting together; and</li> <li>b) IRV for so long as IRV holds over 50% of the Seed Shares held by it on the Date of Adoption (or the transferee of over 50% of the Seed Shares held by IRV on the Date of Adoption)</li> </ul>
<b>Investor Group</b>	in relation to a holder of C Ordinary Shares: <ul style="list-style-type: none"> <li>a) that holder of the C Ordinary Shares or any subsidiary or holding company of the Investor or</li> </ul>

- subsidiary of a holding company of the Investor (each a "**Relevant Person**"); or
- b) any fund of which any Relevant Person is trustee or manager; or
- c) any fund, the managers of which are advised by any Relevant Person; or
- d) any nominee or trustee of any Relevant Person; or
- e) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person including any person who becomes a manager or adviser of an Investor in place of or in addition to such Investor; or
- f) any co-investment scheme, being a scheme under which certain officers, employees or partners of a Relevant Person or its adviser or manager are entitled or required (as individuals or through a body corporate or any other vehicle) to acquire shares which the Relevant Person would otherwise acquire or has acquired.

**Investors**

means the holders of the Seed Shares and the holders of the C Ordinary Shares and "**Investor**" means any one of them as the context requires

**IPO**

means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq Stock Market operated by the NASDAQ OMX Group or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in Section 285 of the Financial Services and Markets Act 2000) or any equivalent admission in respect of the shares of securities representing those shares (including without limitation depositary interests, American depositary receipts, American Depositary shares and/or other instruments) of any other Group Company

**IRV**

InReach Ventures LLP

<b>IRV Observer</b>	means any observer nominated by the majority of the holders of the Seed Shares pursuant to Article 22.10
<b>ITA</b>	the Income Tax Act 2007
<b>Leaver</b>	an employee, director or consultant to the Company or a Group Company who holds (or whose Permitted Transferee(s) holds) Leaver Shares who, ceases to be a director, employee or consultant for any reason and does not continue as or immediately become a director or employee of, or a consultant to, a Group Company
<b>Leaver Shares</b>	the A Ordinary Shares or the B Investment Shares or any of them (as applicable)
<b>Member of the same Fund Group</b>	<p>means 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:</p> <ul style="list-style-type: none"> <li>(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);</li> <li>(b) any Investment Fund managed or advised by that Fund Manager;</li> <li>(c) any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager; or</li> <li>(d) any trustee, nominee or custodian of such Investment Fund and vice versa</li> </ul>
<b>Member of the same Group</b>	means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking
<b>New Securities</b>	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set



out in Article 8.4)

<b>Non-NVM Shares</b>	the A Ordinary Shares, the B Investment Shares and the Seed Shares or any of them
<b>NVM</b>	NVM Private Equity LLP (limited partnership number OC392261) or such successor entity which assumes the role of manager of, or adviser to, the holder(s) holding (in aggregate) more than 50% by nominal value of the C Ordinary Shares whilst it acts as manager of, or adviser to such holder(s) or such other entity nominated and notified to the Company in writing, by such holder(s) for the purposes, inter alia, of giving NVM Consent and/or Investor Consent
<b>NVM Consent</b>	the prior written consent of NVM
<b>NVM Director</b>	means any director nominated by the holders of the majority of the C Ordinary Shares pursuant to Article 22.4
<b>NVM Observer</b>	means any observer nominated by the holders of the majority of the C Ordinary Shares pursuant to Article 22.8
<b>Original Purchase Price</b>	means a price per share equal to the amount subscribed or deemed to have been subscribed (including premium) for such share
<b>Permitted Transfer</b>	means a transfer of Shares in accordance with Article 10
<b>Permitted Transferee</b>	means: <ul style="list-style-type: none"><li>(a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or a Qualifying Company;</li><li>(b) in relation to a Shareholder which is an undertaking, any Member of the same Group;</li><li>(c) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group</li></ul>
<b>Priority Rights</b>	means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 11.4
<b>Privileged Relation</b>	in relation to a Shareholder who is an individual member

or deceased or former member means a spouse, Civil Partner, parent, sibling, child or grandchild (including step or adoptive or illegitimate parent, step or adopted or illegitimate sibling and step or adopted or illegitimate child and their issue)

<b>Proceeds of Sale</b>	in respect of a Share Sale, the consideration payable (including any deferred and/or contingent consideration and any other consideration which, having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale
<b>Proposed Purchaser</b>	means any person proposing to receive the transfer of any shares in the capital of the Company
<b>Proposed Sellers</b>	means the Founder, NVM and IRV
<b>Qualifying Company</b>	means a company in which a Shareholder, a Privileged Relation of a Shareholder or Trustee(s) of a Shareholder hold(s) the whole of the share capital and which they Control
<b>Seed Anti-Dilution Shares</b>	shall have the meaning given in Article 6.1
<b>Seed Majority</b>	means the holders of over 50 per cent of the Seed Shares in issue from time to time
<b>Seed Shareholders</b>	means the holders of the Seed Shares
<b>Seed Shares</b>	means the seed preferred shares of £0.00001 each in the capital of the Company from time to time
<b>Shareholder</b>	means any holder of any Shares
<b>Share Option Plan</b>	means any share option plan of the Company, the terms of which have been approved with Investor Consent
<b>Shares</b>	means the Seed Shares, the B Investment Shares, the A Ordinary Shares, the Deferred Shares, the C1 Ordinary Shares and the C2 Ordinary Shares
<b>Share Sale</b>	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (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 the following completion of the sale in the shareholders in the purchasing company 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)

**Starting Price**

means:

- a) £0.468580 (if applicable, adjusted as referred to in Article 6.5) in respect of a Seed Share; and/or
- b) £0.55543900 (if applicable, adjusted as referred to in Article 6.5) in respect of a C Ordinary Share

**Trustees**

means the trustee(s) of a Family Trust

- 2.2 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 2.3 Except as otherwise provided in these Articles, the Seed Shares, the B Investment Shares, the A Ordinary Shares and the C Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 2.4 The creation of a new class of shares which ranks *pari passu* with, or which has preferential rights to, one or more existing classes of shares (or the issue of further shares of an existing class) shall not constitute a variation of the rights of those existing classes of shares.

**3. Dividends**

- 3.1 All Equity Shares shall rank *pari passu* in respect of dividends, and dividends shall, subject to Article 3.2, be paid *pro rata* according to the number of Equity Shares held by each Shareholder respectively.
- 3.2 The Company shall not declare or pay any dividends unless the Company obtains Investor Consent to any such dividend.

**4. Liquidation Preference**

- 4.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase by the Company of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):
  - 4.1.1 first in paying the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of the Deferred Shares);
  - 4.1.2 second, subject to Articles 5.2, after the distribution referred to in article 4.1.1, the balance of surplus assets (**Remaining Surplus Assets**) shall be distributed to the holders of the Equity Shares so that there will be paid to the Investors an amount equal to the greater of:

- 4.1.2.1 99.9999% of the Remaining Surplus Assets up to a maximum of the aggregate of the Original Purchase Price of the C Ordinary Shares and the Seed Shares plus any arrears or accruals of dividend (if any) on the Seed Shares or C Ordinary Shares due or declared but unpaid will be paid to the Investors (and be allocated between the Investors pro rata to the Original Purchase Price for and associated arrears or accruals of dividend on any C Ordinary Shares and the Seed Share held by them) with the balance of the Remaining Surplus Assets being distributed pursuant to Article 4.1.3 below to the holders of the Equity Shares (excluding the Seed Shares and the C Ordinary Shares) on a pro rata basis to the number of Equity Shares held by them as if they all constituted one class of share; or
- 4.1.2.2 their pro rata amount of the Remaining Surplus Assets based on the number of C Ordinary Shares and Seed Shares held to the number of Equity Shares then in issue as if they all constituted one class of share with the balance of the Remaining Surplus Assets being distributed pursuant to Article 4.1.3 below among the holders of the Equity Shares (excluding the Seed Shares and the C Ordinary Shares) on a pro rata basis to the number of Equity Shares held by them as if they all constituted one class of share;
- 4.1.3 99.9999% of the balance of the Remaining Surplus Assets shall be distributed among the holders of A Ordinary Shares and B Investment Shares on a pro rata basis as if they constituted one class of share; and 0.0001% shall be distributed to the holders of C Ordinary Shares and the holders of the Seed Shares as if they all constituted one class of share;

**PROVIDED THAT** the proportion of the amount to be distributed to the holders of the C Ordinary Shares (in aggregate) shall be allocated (as amongst themselves only) as to X to the holders of the C1 Ordinary Shares and Y to the holders of the C2 Ordinary Shares, X and Y having the meaning given to them in Article 5.1.4.

## 5. Exit Provisions

- 5.1 Subject to Article 5.2, on a Share Sale, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale, the selling holders (immediately prior to such Share Sale) or the Company (as appropriate) shall procure that the Proceeds of Sale (whenever received) shall be paid into a designated trustee account and shall be distributed amongst such selling holders as follows:
  - 5.1.1 first in paying the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of the Deferred Shares);
  - 5.1.2 second after the distribution referred to in article 5.1.1, the balance of the Proceeds of Sale (**Remaining Proceeds of Sale**) shall be distributed to the holders of the Equity Shares so that there will be paid to the Investors an amount equal to the greater of:
    - 5.1.2.1 99.9999% of the Remaining Proceeds of Sale up to a maximum of the aggregate of the Original Purchase Price of the C Ordinary Shares and the Seed Shares plus any arrears or accruals of dividend (if any) on the Seed Shares or C Ordinary Shares due or declared but unpaid will be paid to the Investors (and be allocated between the Investors pro rata to the Original Purchase Price for and associated arrears or

accruals of dividend on any C Ordinary Shares and the Seed Share held by them) with the balance of the Remaining Proceeds of Sale being distributed pursuant to Article 5.1.3 below to the holders of the Equity Shares (excluding the Seed Shares and the C Ordinary Shares) on a pro rata basis to the number of Equity Shares held by them as if they all constituted one class of share; and

5.1.2.2 their pro rata amount of the Proceeds of Sale based on the number of C Ordinary Shares and Seed Shares held to the number of Equity Shares then in issue, with the balance to be distributed pursuant to Article 5.1.3 below to the holders of the Equity Shares (excluding the C Ordinary Shares and the Seed Shares) pro rata based on the number of such shares held as if such shares constituted one class of share for this purpose;

5.1.3 the balance of the Remaining Proceeds of Sale shall be distributed among the holders of A Ordinary Shares and B Investment Shares on a pro rata basis as if they constituted one class of share;

**PROVIDED THAT** the proportion of the amount to be distributed to the Holders of the C Ordinary Shares (in aggregate) shall be allocated (as amongst themselves only) as to X to the holders of the C1 Ordinary Shares and Y to the holders of the C2 Ordinary Shares, X and Y having the meaning given to them in Article 5.1.4.

5.1.4 For the purposes of Articles 4.1 and 5.1:

5.1.4.1 X = an amount equal to the aggregate Original Purchase Price of all C1 Ordinary Shares together with the C Ordinary Share Yield; or, where there is a shortfall in paying such amount together with any amount due to the holders of the C2 Ordinary Shares, 99.99% of the amount to be distributed to the holders of the C Ordinary Shares (in aggregate); and

5.1.4.2 Y = the higher of:

- (a) the amount to be distributed to the holders of the C Ordinary Shares (in aggregate), less X; and
- (b) 0.01% of the amount to be distributed to the holders of the C Ordinary Shares (in aggregate).

5.1.5 The cap in Article 5.2.2 shall not apply in respect of a Share Sale or an IPO.

5.2 50% caps on Corporate Shareholders and their Connected Persons:

5.2.1 The limitations in this Article 5.2 shall apply to:

5.2.1.1 any Investor and any holder of Shares that is a "company" for the purpose of the independence requirement in section 296(2) of ITA (a "Corporate Shareholder"); and

5.2.1.2 any Shareholder that is a Connected Person in relation to that Corporate Shareholder (a "Relevant Connected Person").

5.2.2 At any time, on a liquidation or other return of capital event (including, on an Asset Sale, the redemption or repurchase of Shares) the aggregate amount payable to any Corporate Shareholder and all of its Relevant Connected Persons shall not exceed 50 per cent of the assets of the Company available for

distribution amongst the participators (as defined in section 454 of CTA) of the Company at that time.

- 5.2.3 At any time, on a distribution of any profits of the Company by way of dividend or otherwise (including on the redemption or repurchase of Shares) no distribution shall be made to any Corporate Shareholder and all of its Relevant Connected Persons if, and to the extent that, the aggregate amount that would (but for this Article 5.2.3 be payable to that Corporate Shareholder and its Relevant Connected Persons would exceed 50% of the total amount of the profits of the Company available for distribution at that time.
- 5.2.4 Save where Article 21.9 applies in which case Article 5.2.5 shall apply, at any time the aggregate number of votes attaching to all the Equity Shares held by any Corporate Shareholder and all of its Relevant Connected Persons shall be restricted to the lower of:
  - 5.2.4.1 49.99% of the votes attaching to all Equity Shares; and
  - 5.2.4.2 the total number of votes that would have been conferred on such holders of Equity Shares if this Article 5.2.4 did not apply.
- 5.2.5 Where Article 21.9 applies the aggregate number of votes attaching to all the Equity Shares held by any Corporate Shareholder and all of its Relevant Connected Persons shall be restricted to the lower of:
  - 5.2.5.1 49.99% of the votes attaching to all Equity Shares; and
  - 5.2.5.2 the total number of votes that would have been conferred on such holders of Equity Shares if this Article 5.2.5 did not apply,

and to the extent that there are any Investors who are not a Relevant Connected Person of another Investor ("**Unconnected Investors**"), the voting rights that would but for the preceding provisions of this Article 21.9 otherwise have been capable of being exercised by the relevant Corporate Shareholder and all of its Relevant Connected Persons pursuant to Article 21.9, shall be exercisable by the Unconnected Investors pro rata to their holding of the C Ordinary Shares or Seed Shares, provided always that the voting rights exercisable by any Investor pursuant of this Article 4.7.5 shall not exceed 49.99% of the votes attaching to all Equity Shares.

- 5.3 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 4.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Board with Investor Consent (including, but without prejudice to the generality of this Article 5.3, actions that may be necessary to put the Company into voluntary liquidation) so that Article 4.1 applies.

## 6. **Anti-Dilution Protection**

### *Seed Shares*

- 6.1 If New Securities are issued by the Company at a price per New Security which equates to less than the applicable Starting Price (a "**Seed Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Seed Majority shall have specifically waived the rights of all of the holders of Seed Shares, offer (such offer to remain open for acceptance for at least 10

Business Days) to each holder of Seed Shares (the "**Seed Exercising Investor**") the right to receive a number of new Seed Shares determined 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 6.4 (the "**Seed Anti-Dilution Shares**"):

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

Where:

N = Number of Seed Anti-Dilution Shares to be issued to the Seed Exercising Investor

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = Starting Price

ESC = the number of Equity 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 the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non cash consideration for the allotment of the New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue

Z = the number of Seed Shares held by the Seed Exercising Investor prior to the Seed Qualifying Issue.

#### *C Ordinary Shares*

- 6.2 If New Securities are issued by the Company at a price per New Security which equates to less than the applicable Starting Price (a "**C Ordinary Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the C Ordinary Majority shall have specifically waived the rights of all of the holders of C Ordinary Shares, offer (such offer to remain open for acceptance for at least 10 Business Days) to each holder of C Ordinary Shares (the "**C Ordinary Exercising Investor**") the right to receive a number of new C Ordinary Shares determined 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 6.4 (the "**C Ordinary Anti-Dilution Shares**"):

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

Where:

N = Number of C Ordinary Anti-Dilution Shares to be issued to the C Ordinary Exercising Investor

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = Starting Price

ESC = the number of Equity 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 the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non cash consideration for the allotment of the New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue

Z = the number of C Ordinary Shares held by the C Ordinary Exercising Investor prior to the C Ordinary Qualifying Issue.

6.3 The Seed Anti-Dilution Shares and the C Ordinary Anti-Dilution Shares (as applicable) shall:

6.3.1 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 majority of the Seed Exercising Investors and/or C Ordinary Exercising Investors (as applicable) shall agree otherwise, in which event the Seed Exercising Investors and/or C Ordinary Exercising Investors (as applicable) shall be entitled to subscribe for the Seed Anti-Dilution Shares or C Ordinary Shares (as applicable) in cash at par (and the entitlement of such Seed Exercising Investors to Seed Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 6.1 so that the Seed Exercising Investors shall be in no worse position than if they had not so subscribed at par and the entitlement of such C Ordinary Exercising Investors to C Ordinary Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 6.2 so that the Seed Exercising Investors shall be in no worse position than if they had not so subscribed at par). In the event of any dispute between the Company and any Seed Exercising Investor and/or C Ordinary Exercising Investor as to the effect of Article 6.1, Article 6.2 or this Article 6.3 (as applicable), the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Seed Anti-Dilution Shares and/or C Ordinary Anti-Dilution Shares (as applicable) to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Seed Exercising Investor and/or C Ordinary Exercising Investor (as applicable); and

6.3.2 subject to the payment of any cash payable pursuant to Article 6.3.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Seed Shares or the existing C Ordinary Shares (as the case may be), within five Business Days of the expiry of the offer being made by the Company to the Seed Exercising Investor and/or C Ordinary Exercising Investor (as applicable) and pursuant to Article 6.3.

6.4 For the avoidance of doubt, no account shall be taken in each such calculation pursuant to Article 6.2 of any issue of Seed Anti-Dilution Shares pursuant to Article 6.1 (and vice versa).



- 6.5 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with Investor Consent within 10 Business Days after any Bonus Issue or Reorganisation. If the Company with Investor Consent cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.
- 7. Conversion of Seed Shares**
- 7.1 All of the Seed Shares and the C Ordinary Shares shall automatically convert into A Ordinary Shares immediately upon the occurrence of an IPO.
- 7.2 At least five Business Days prior to the occurrence of the IPO, each holder of the relevant Seed Shares and the C Ordinary Shares (as applicable) shall deliver the certificate (or a suitable indemnity) in respect of the shares being converted to the Company at its registered office for the time being.
- 7.3 The conversion pursuant to Article 7.1 will be effective only immediately prior to such IPO (the "**Conversion Date**") and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred.
- 7.4 On the Conversion Date, the relevant Seed Shares shall, without further authority than is contained in these Articles, stand converted into A Ordinary Shares on the basis of one A Ordinary Share for each Seed Share held (the "**Seed Share Conversion Ratio**") and the A Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued A Ordinary Shares.
- 7.5 Immediately prior to the conversion of the relevant C Ordinary Shares into A Ordinary Shares pursuant to this Article 7, the Company and the shareholders shall enter into such reorganisation of the share capital of the Company (whether by the issue of bonus shares or otherwise) as the Board (with NVM Consent) shall reasonably determine to ensure that C Ordinary Shares are reallocated between the holders of the C Ordinary Shares in the same proportions as the provisions of Article 5.1 would provide in respect of the Proceeds of Sale from a Share Sale are allocated between the holders of C Ordinary Shares. On the Conversion Date but following such reallocation, the relevant C Ordinary Shares shall, without further authority than is contained in these Articles, stand converted into A Ordinary Shares on the basis of one A Ordinary Share for each C Ordinary Share held (the "**C Ordinary Share Conversion Ratio**") and the A Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued A Ordinary Shares.
- 7.6 The Company shall on the Conversion Date after the operation of Articles 7.4 and 7.5 enter the holders of the converted Seed Shares and the holders of the C Ordinary Shares on the register of members of the Company as the holder of the appropriate number of A Ordinary Shares and, subject to the relevant holder delivering his certificate(s) (or indemnity) in respect of the Seed Shares and the C Ordinary Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Seed Shares and the C Ordinary Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid A Ordinary Shares.
- 7.7 The Seed Share Conversion Ratio and the C Ordinary Share Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
- 7.7.1 if Seed Shares and/or C Ordinary Shares remain capable of being converted into new A Ordinary Shares and there is a consolidation and/or sub-division of A

Ordinary Shares, the Seed Share Conversion Ratio and the C Ordinary Share Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Investor Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Investor is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;

- 7.7.2 if Seed Shares and/or C Ordinary Shares remain capable of being converted into A Ordinary Shares, on an allotment of fully-paid A Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of A Ordinary Shares the Seed Share Conversion Ratio and the C Ordinary Share Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Investor Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Investor is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.
- 7.8 If a doubt or dispute arises concerning an adjustment of the Seed Share Conversion Ratio and/or the C Ordinary Share Conversion Ratio in accordance with Article 7.7, or if so requested by a Seed Majority in respect of the Seed Share Conversion Ratio or NVM in respect of the C Ordinary Share Conversion Ratio, the Board shall refer the matter to the Auditors for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.
- 8. Allotment of New Shares or Other Securities: Pre-Emption**
- 8.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.
- 8.2 Unless otherwise determined by special resolution, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each holder of Equity Shares (other than a holder of only B Investment Shares) on the same terms and at the same price as those New Securities are proposed to be issued, on a pari passu and pro rata basis to the numbers of Equity Shares (other than B Investment Shares) held by those holders. The offer shall:
  - 8.2.1 give details in writing of the number and subscription price of the New Securities (fractional entitlements shall be rounded to the nearest whole number);
  - 8.2.2 invite him to apply for the New Securities at the subscription price (being on no less favourable terms); and
  - 8.2.3 state that he will have a period of at least 14 days from the date of the notice in which to apply.
- 8.3 On expiry of an offer made in accordance with Article 8.2 (or sooner if applications or refusals have been received from all holders of Equity Shares (other than holders of only B investment Shares) and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities to each holder of Equity Shares (other than holders of only B Investment Shares) in accordance with their applications, following which the Directors may, subject to these Articles and the Act, for a period of two months, allot or grant (as the case may be) such New Securities as have not been taken up (or not capable of being offered except by way of fractions) to any such person(s) and in such manner as they think fit, but on no less favourable terms than the offer to the holders of the Equity Shares pursuant to Article 8.2.

- 8.4 The provisions of Article 8.2 and Article 8.3 shall not apply to:
- 8.4.1 granting options to subscribe for A Ordinary Shares or B Investment Shares under the Share Option Plan and the issue of A Ordinary Shares or B Investment Shares upon the exercise of such options;
  - 8.4.2 New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to the Anti-Dilution Shares;
  - 8.4.3 the issue of any shares upon conversion of any Seed Shares and /or any C Ordinary Shares in both cases pursuant to Article 7;
  - 8.4.4 New Securities issued in consideration of the bona fide acquisition by the Company of any company or business, which has been approved with Investor Consent;
  - 8.4.5 New Securities issued or issuable pursuant to strategic transactions, equipment lease financings or bank credit arrangements entered into for primarily non-equity financing purposes (in each case which has been approved with Investor Consent);
  - 8.4.6 New Securities which the Board with Investor Consent have agreed in writing should be issued without complying with the procedure set out in this Article 8; and
  - 8.4.7 New Securities issued as a result of a Bonus Issue or Reorganisation which has been approved with Investor Consent.
- 8.5 Any New Securities offered under this Article 8 to a holder of Equity Shares may be accepted in full or part by a Permitted Transferee of the holder of Equity Shares in accordance with the terms of this Article 8.
- 8.6 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company or any Group Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.
- 8.7 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. The Directors are not authorised to determine the terms, conditions and manner of redemption unless express authorisation to do so is given by the Shareholders by ordinary resolution and with Investor Consent. Article 22(2) of the Model Articles shall not apply to the Company.
- 9. Transfers of Shares — general**
- 9.1 Reference to the transfer of a Share in these Articles includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 9.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 9.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 9.4 The Directors may refuse to register a transfer of a Share if:
- 9.4.1 a Shareholder transfers a Share other than in accordance with these Articles;

- 9.4.2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company or any Group Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
- 9.4.3 the transferee is a person or a nominee for a person who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with any Group Company.

Article 26(5) of the Model Articles shall be modified accordingly.

- 9.5 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles, the Directors may (and shall if requested by Investor Consent) require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and such evidence as the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their satisfaction, acting reasonably, that no breach has occurred, or where as a result of the information and evidence the Directors are satisfied, acting reasonably, that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

- 9.5.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote; or
- 9.5.2 the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
- 9.5.3 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors (with Investor Consent) may require by notice in writing to that holder.

The rights referred to in 9.5.1 and 9.5.2 above may be reinstated by the Board upon remedy of any breach, and shall in any event be reinstated upon the completion of any transfer referred to in 9.5.3 above.

- 9.6 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.
- 9.7 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 9.8 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 18 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

## **10. Permitted Transfers**

- 10.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 10.2 Shares previously transferred as permitted by Article 10.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 10.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.
- 10.4 If a Permitted Transferee (to whom Shares have been previously transferred in accordance with Article 10.1) ceases to be a Permitted Transferee of the Original Shareholder after such transfer has occurred, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases to qualify for that status, transfer the Shares held by it to the Original Shareholder or another Permitted Transferee of the Original Shareholder, without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 10.5 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 10.6 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, with Investor Consent.
- 10.7 A transfer of any Shares approved by the Board and with Investor Consent may be made without restriction as to price or otherwise and with any such conditions, as may be imposed and each such transfer shall be registered by the Directors.

## **11. Transfers of Shares subject to pre-emption rights**

- 11.1 Save where the provisions of Articles 10 (Permitted Transfers), 16 (Mandatory Offer on Change of Control), 17 (Co-Sale Right) and 18 (Drag-along) apply, a Shareholder who wishes to transfer Shares (a "**Seller**") shall (before transferring or agreeing to transfer any Shares):
  - 11.1.1 (in the case of a proposed transfer by a Founder of A Ordinary Shares only) obtain Investor Consent; and
  - 11.1.2 give notice in writing (which cannot be withdrawn, save with the consent of the Board) (a "**Transfer Notice**") to the Company (constituting the Company the agent of the Seller) specifying:

- 11.1.2.1 the number of Shares which he wishes to transfer (the "Sale Shares");
  - 11.1.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
  - 11.1.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (the "Transfer Price").
- 11.2 If a Shareholder is required to give a Transfer Notice (or is deemed to have given a Transfer Notice), the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (with Investor Consent) (but without any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received or is deemed to have received the Transfer Notice, and failing such agreement such price will be deemed to be the Fair Value of such Shares as determined in accordance with Article 12.3.
- 11.3 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price in accordance with Article 12), the Company shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 11.4 and 11.5.
- 11.4 **Priority for offer of Sale Shares:**
  - 11.4.1 Subject to Article 11.4.4, if the Sale Shares are Seed Shares or C Ordinary Shares, the Company shall offer them to the Seed Shareholders and the holders of the C Ordinary Shares in each case on the basis as set out in Article 11.5.
  - 11.4.2 Subject to Article 11.4.4, if the Sale Shares are A Ordinary Shares shall offer them in the following priority:
    - 11.4.2.1 first, to the Seed Shareholders and the holders of the C Ordinary Shares; and
    - 11.4.2.2 second, the holders of the A Ordinary Shares
  - 11.4.3 in each case, on the basis set out in Article 11.5.
  - 11.4.4 The Board may, with Investor Consent, resolve that the Sale Shares (of any class) shall:
    - 11.4.4.1 in the case of Sale Shares held by an Employee:
      - (a) be offered to any other Employee or prospective Employee; or
      - (b) be purchased by any employee benefit scheme or warehoused in any other similar scheme operated for the benefit of the Employees; or
    - 11.4.4.2 be purchased by the Company (subject to the Act).
- 11.5 **Transfers - Offer:**

The Company shall offer (by notice in writing) the Sale Shares pursuant to the Priority Rights to each Shareholder specified in the offer other than the Seller (each an "Eligible Shareholder"):

  - 11.5.1 inviting him to apply for the maximum number of Sale Shares he wishes to buy at the Transfer Price;

- 11.5.2 stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- 11.5.3 stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of relevant Equity Shares (his "**Proportionate Allocation**");
- 11.5.4 inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation ("**Extra Shares**") and, if so, the number of Extra Shares,
- 11.6 On expiry of an offer made in accordance with Article 11.5 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:
  - 11.6.1 if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
  - 11.6.2 if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied;
  - 11.6.3 applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible 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 Shares have been allocated; and
  - 11.6.4 fractional entitlements shall be rounded to the nearest whole number.
- 11.7 The Company shall (once the requirements of Article 16 (Mandatory Offer on Change of Control), and/or 17 (Co-Sale Right) have been fulfilled, to the extent required) give written notice of allocation (an "**Allocation Notice**") to the Seller which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 11.8 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 11.9 If the Seller fails to comply with the provisions of Article 11.8:
  - 11.9.1 the chairman of the Board or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
    - 11.9.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
    - 11.9.1.2 receive the Transfer Price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
  - 11.9.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).

- 11.10 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 11.11, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included within the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 11.11 The right of the Seller to transfer Shares under Article 11.10 does not apply if the Board is of the opinion on reasonable grounds that:
- 11.11.1 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
  - 11.11.2 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 11.12 Any Sale Shares offered under this Article 11 to a holder of Equity Shares may be accepted in full or part by a Permitted Transferee of the holder of Equity Shares, in accordance with the terms of this Article 11.
- 11.13 The provisions of Article 11 above shall not apply with respect to B Investment Shares. Any B Investment Shareholder shall be entitled to transfer or transmit B Investment Shares to such persons and at such prices as they see fit, provided that such transfer is in respect of the B Investment Shareholders entire holding of B Investment Shares to a single transferee (except with the prior sanction of a resolution of the Board).
- 12. Valuation of Shares**
- 12.1 If no Transfer Price is agreed between the Seller and the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with Article 12.2 (the "**Expert Value**") to certify the Fair Value of the Sale Shares (or if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply).
- 12.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and appointed by the Company.
- 12.3 The Fair Value of the Sale Shares shall be determined by the Expert Valuers on the following assumptions and bases:
- 12.3.1 Valuing the Sale Shares as on an arm's length sale between a willing seller and a willing buyer;
  - 12.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 12.3.3 attributing to the Sale Shares such valuation as the Expert Valuer shall consider consistent with the rights of the Sale Shares under these Articles, but that the Sale Shares are capable of being transferred without restriction;
  - 12.3.4 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; and



- 12.3.5 reflecting any other factors which the Expert Valuer reasonably believe should be taken into account.
- 12.4 The Expert Valuer shall be requested to determine the Fair Value within 10 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 12.5 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed in which case the Seller shall bear the cost.
- 13. Compulsory transfers — general**
- 13.1 Bankruptcy 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 that Share at a time determined by the Directors in respect of which the Transfer Price is the Fair Value.
- 13.2 Liquidation of a company which is a Shareholder. If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder (and its Permitted Transferees) at a time the Directors may determine in respect of which the Transfer Price is the Fair Value. This Article 13.2 shall not apply to a member that is an Investor.
- 13.3 Death of a Shareholder. If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either:
- 13.3.1 to effect a Permitted Transfer of such Shares; or
- 13.3.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.
- If either requirement in this Article 13.3 shall not be fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share (save to the extent that, the Directors may otherwise determine) in respect of which the Transfer Price is the Fair Value.
- 13.4 Change of Control of a Shareholder. If there is a change in control (as control is defined in section 1124 of the CTA) of any Shareholder which is a company, it shall be bound at any time (if and when required in writing by the Directors to do so (and with Investor Consent)), to give (or procure the giving of in the case of any Permitted Transferee and/or nominee) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferee name and their respective nominees' names (save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice). This Article 13.4 shall not apply to a member that is an Investor.
- 13.5 Any member transferring, attempting to transfer or agreeing to transfer Equity Shares otherwise than in accordance with these Articles shall be deemed to have served a Transfer Notice in respect of all the Equity Shares held by him (and his Permitted

Transferees) and at a time, determined by the Directors in respect of which the Transfer Price is the Fair Value.

#### **14. Compulsory conversion — Leavers**

14.1 Unless the Board with Investor Consent determines the extent to which this Article 14.1 shall not apply:

14.1.1 where an Employee becomes a Leaver and he is a Bad Leaver, all the Leaver Shares held by such Shareholder and all Shares held by his Permitted Transferees (other than those Shares held by such person that the Board with Investor Consent declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of that person's relationship with the Founder) shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Leaver Share held, and rounded down to the nearest whole share) on the Effective Termination Date (or on such other later date as is determined by the Board);

14.1.2 where the Founder becomes a Leaver and is an Intermediate Leaver, unless otherwise agreed with Investor Consent and subject to Article 14.2, the number of Founder Shares:

14.1.2.1 as indicated in Column (3) of the table below shall convert to Deferred Shares;

14.1.2.2 as indicated in Column (2) shall remain as their original class of Founder Share, but a Transfer Notice shall be deemed to be given in respect of the relevant proportion of Founder Shares shown in Column (2) below and the Transfer Price will be Fair Value of such Shares; and

14.1.2.3 in each case dependent upon the period of time elapsed since the Date of Adoption as indicated in column (1) of the table below:

<b>Date of becoming an Intermediate Leaver (1)</b>	<b>Founder Share Proportion (2)</b>	<b>Deferred Share Proportion (3)</b>
Within 12 months of the Date of Adoption	50%	50%
On or after the date falling 12 months after the Date of Adoption but before the date falling 24 months after the Date of Adoption	75%	25%
On or after the date falling 24 months after the Date of Adoption	100%	0%

14.1.3 where the Founder becomes a Leaver and is a Good Leaver, unless otherwise agreed with Investor Consent and subject to Article 14.2, a Transfer Notice shall be deemed to be given in respect of all of the Founder Shares relating to the Founder and the Transfer Price will be Fair Value and for the avoidance of doubt, none of the Founder Shares shall convert to Deferred Shares.

- 14.2 Where the Founder becomes a Leaver pursuant to Article 14.1 and is a Good Leaver or an Intermediate Leaver, the Board, with Investor Consent, may resolve to permit the Founder to retain any number of Equity Shares. Where the Board, with Investor Consent, resolves to permit a Leaver to retain a number of his Equity Shares, that Leaver shall not be deemed to have served a Transfer Notice in respect of such Equity Shares, and Article 14.1.2 or 14.1.3 (as applicable) shall not apply to such number of the Leaver's Equity Shares.
- 14.3 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Effective Termination Date. Upon the Effective Termination Date, the Leaver (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Leaver Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Leaver Shares.
- 14.4 The Company shall be entitled to retain any share certificate(s) relating to Leaver Shares.
- 14.5 Save with the consent of the Board with Investor Consent or a transfer to a Permitted Transferee, no Founder Shares shall be transferred by the Founder pursuant to Article 11, save pursuant to a sale of all the shares in the Company pursuant to a Share Sale.
- 15. Deferred Shares**
- 15.1 The Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company, nor to receive, vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company.
- 15.2 No Deferred Share shall have any entitlement to a dividend.
- 15.3 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 15.4 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- 15.4.1 appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
- 15.4.2 give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
- 15.4.3 purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 15.5 No Deferred Share may be transferred without the prior consent of the Board.

**16. Mandatory Offer on a Change of Control**

- 16.1 Except in the case of Permitted Transfers and transfers pursuant to Article 10, after going through the pre-emption procedure in Article 11, the provisions of Article 16.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 16.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 16.7) and otherwise on the same terms (provided that the Investors shall not be required to give any representations or warranties or undertakings other than as to their capacity and capability to sell the relevant Seed Shares free from encumbrances).
- 16.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 16.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 16.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 16.6 The Proposed Transfer is subject to the pre-emption provisions of Article 11 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 11.
- 16.7 For the purpose of this Article:
- 16.7.1 the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
- 16.7.1.1 in the Proposed Transfer; or
- 16.7.1.2 in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,
- plus an amount equal to the Relevant Sum (as defined in Article 16.7.2) of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting In Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**"), provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of Articles 4 and 5;
- 16.7.2 **Relevant Sum** =  $C \div A$

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

C = the Supplemental Consideration.

**17. Co-Sale Right**

17.1 No transfer (other than a Permitted Transfer) of any of the **A Ordinary Shares** may be registered unless an A Ordinary Shareholder (a "**Selling Member**") shall have observed the following procedures of this Article.

17.2 After the Selling Member has gone through the pre-emption process set out in Article 11, the Selling Member shall give to each holder of Seed Shares and each holder of the C Ordinary Shares not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:

17.2.1 the identity of the proposed purchaser (the "**Buyer**");

17.2.2 the price per share which the Buyer is proposing to pay;

17.2.3 the manner in which the consideration is to be paid;

17.2.4 the number of A Ordinary Shares which the Selling Member proposes to sell; and

17.2.5 the address where the counter-notice should be sent.

17.3 Each holder of Seed Shares and each holder of the C Ordinary Shares shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Member that they wish to sell a certain number of Seed Shares or C Ordinary Shares (as the case may be) held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Seed Shares or C Ordinary Shares which such holder of Seed Shares or the holder of C Ordinary Shares wishes to sell. The maximum number of Seed Shares or C Ordinary Shares which such holder can sell under this procedure shall be:

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

where:

X is the number of Seed Shares or C Ordinary Shares held by the Seed Shareholder or the holder of the C Ordinary Shares;

Y is (i) the aggregate of the total number of Seed Shares or C Ordinary Shares held by each Seed Shareholder or holder of the C Ordinary Shares who wishes to sell shares pursuant to this article 17.3, plus (ii) the total number of A Ordinary Shares owned by the Selling Member;

Z is the number of A Ordinary Shares the Selling Member proposes to sell.

Any holder of Seed Shares or C Ordinary Shares who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Seed Shares or C Ordinary Shares (as the case may be).

17.4 Following the expiry of five Business Days from the date the holder of Seed Shares receive the Co-Sale Notice, the Selling Member shall be entitled to sell to the Buyer (on the terms notified to the holders of Seed Shares and the holders of the C Ordinary Shares) a number of A Ordinary Shares not exceeding the number specified in the Co-Sale Notice (less any Seed Shares or C Ordinary Shares which holders of Seed Shares or C Ordinary Shares have indicated they wish to sell), provided that at the same time the Buyer (or another person) purchases from the holders of Seed Shares and the holders of the C Ordinary Shares the number of Seed Shares and C Ordinary Shares they have respectively indicated they wish

to sell on terms no less favourable than those obtained by the Selling Member from the Buyer.

17.5 No sale by the Selling Member shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

17.6 Sales made under a Co-Sale Notice in accordance with this Article 17 shall not be subject to Article 11.

## **18. Drag-along**

18.1 If the Proposed Sellers wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a proposed purchaser who has made an offer on arm's length (the "**Proposed Purchaser**"), the Proposed Sellers shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares (the "**Called Shares**") to the Proposed Purchaser (or as the Proposed Purchaser shall direct) in accordance with the provisions of this Article 18.

18.2 The Proposed Sellers may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this Article 18, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 18) and the proposed date of transfer.

18.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Proposed Sellers to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Proposed Sellers shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

18.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Called Shares and the Sellers' Shares were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 5.

18.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 18.

18.6 Within five Business Days of the Company serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser (or as the Proposed Purchaser shall direct), together with any sale and purchase agreement, duly executed and the relevant share certificate(s) (or an indemnity for a lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay or transfer or otherwise deliver or make available to the Called Shareholders, on behalf of the Proposed Purchaser, the consideration they are due pursuant to Article 18.4 to the extent that the consideration is cash and the Proposed Purchaser has paid, allotted or transferred such consideration in cleared funds to the Company or, if the consideration is non-cash consideration, the Proposed Purchaser shall satisfy the consideration due to the Called 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 those Called Shareholders. The Company's receipt for any cash consideration due pursuant to Article 18.4 shall be a good discharge to the Proposed

Purchaser. The Company shall hold the consideration due to the Called Shareholders pursuant to Article 18.4 in trust for the Called Shareholders without any obligation to pay interest.

- 18.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, paid, allotted or transferred to the Company the consideration in cleared funds or otherwise made available such other non-cash consideration due pursuant to Article 18.4, the Called Shareholders shall be entitled to the return of the stock transfer forms, any sale and purchase agreement and share certificate(s) (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of their Shares.
- 18.8 If a Called Shareholder fails to deliver stock transfer forms, any duly executed counterpart sale and purchase agreement required and share certificates (or an indemnity) for its Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, paid, allotted or transferred to the Company the consideration in cleared funds or otherwise made available such other non-cash consideration due pursuant to Article 18.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the consideration due to him pursuant to Article 18.4.
- 18.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 11.
- 18.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 18.11 A Called Shareholder shall be obliged to give warranties as to (i) title to the Called Shares held by such Called Shareholder and which are to be sold pursuant to the Drag Along Notice and (ii) its capacity to enter into the relevant transaction documents. A Called Shareholder shall not be obliged to give any other representations, warranties or indemnities unless and to the extent that the Proposed Sellers give the same representations, warranties and/or indemnities and the liability in respect of such representations, warranties and/or indemnities is shared between all Shareholders pro rata to their entitlement to the consideration pursuant to article 16.4 and the overall liability of each Shareholder in respect of such representations, warranties and indemnities is capped at the value of the consideration received by such Shareholder. A Called Shareholder may be required to enter into a sale and purchase agreement in respect of its Called Shares approved by the Board and/or to contribute (pro rata to its holding of Shares) to any escrow, retention or other holdback or deduction from the purchase price approved by the Board in relation to representations, warranties and/or indemnities to be

given to the Proposed Purchaser, provided that the maximum liability of a Called Shareholder in respect of such representations, warranties and/or indemnities shall not exceed the value of the consideration which such Called Shareholder is entitled to receive for its Called Shares. Any sale and purchase agreement which any Director is authorised to sign pursuant to Article 18.8 may contain representations, warranties and/or indemnities from each Called Shareholder and/or a contribution to any escrow, retention or other holdback or deduction on the basis set out in this article.

**19. Purchase of own Shares**

Subject to the Act, the Company may purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.

**20. Proceedings at General Meetings**

- 20.1 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.
- 20.2 No business shall be transacted at any meeting unless a quorum is present. The quorum shall be 2 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. 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.
- 20.3 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.
- 20.4 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.
- 20.5 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.
- 20.6 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:



- 20.6.1 by the Chairman; or
- 20.6.2 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.
- 20.7 A poll on any matter shall be taken immediately.
- 20.8 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.
- 21. Voting at General Meetings**
- 21.1 Subject to the following provisions of this Article 21, on a show of hands every holder of Equity Shares (other than a holder of only B Investment Shares) present in person or by proxy or (if a corporation) present by a representative duly authorised in accordance with the Act who is not also himself a holder of Equity Shares (other than a holder of only B Investment Shares) entitled to vote, shall have one vote, and on a poll every holder of Equity Shares (other than a holder of only B Investment Shares) present in person or by proxy or (if a corporation) present by a representative duly authorised in accordance with the Act who is not also himself a holder of Equity Shares (other than a holder of only B Investment Shares) entitled to vote, shall have one vote for every Equity Share (other than a B Investment Share) of which he is the holder.
- 21.2 The B Investment Shares and the Deferred Shares shall have no voting rights attached to them, and holders of B Investment Shares and/or holder of Deferred Shares shall not have the right to receive notices of any general meetings or the right to attend any such general meetings.
- 21.3 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.
- 21.4 On a show of hands or poll votes may be given either personally or by proxy.
- 21.5 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.
- 21.6 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.
- 21.7 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.
- 21.8 Subject to an A Ordinary Majority being entitled to maintain in office such A Ordinary Director in accordance with Article 22.2 below, if at a general meeting a resolution is proposed for the removal from office of any A Ordinary Director, and an A Ordinary 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 21.8) be insufficient to prevent it being passed by the Company in general meeting, then an A Ordinary Majority shall in relation to that resolution carry such number of votes in respect of its or their holding of A Ordinary Shares as is equivalent to 51 per cent, of the total number of votes cast (including those conferred pursuant to this Article 21.8).

21.9 Subject always to Article 5.2.5, if:

21.9.1 any of the events, circumstances or failures specified in Article 21.11 (each a **"Default Event"**) shall, without NVM Consent, have occurred or be subsisting; and

21.9.2 NVM gives notice to the Company that any such event has occurred or is subsisting (such notice being a **"Default Notice"**), then immediately from receipt by the Company of such notice:

21.9.2.1 the voting rights attaching to the C Ordinary Shares shall be enhanced such that the holders of the C Ordinary Shares shall be entitled to cast 95% of the total number of votes capable of being cast by all the members;

21.9.2.2 for the period of the Default Event subsisting, if an NVM Director votes against any resolution put to a directors' meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it; and

21.9.2.3 for the period of the Default Event subsisting, if an NVM Director votes in favour of any resolution put to a directors' meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against it exceeds those cast in its favour.

21.10 The provisions of Article 21.9 shall continue for so long as such event, circumstance or failure subsists or until receipt by the Company of notice from NVM in terms that the relevant Default Event is no longer considered by NVM (acting reasonably) as being a Default Event.

21.11 The events, circumstances or failures referred to in Article 21.9 are:

21.11.1 the Company and the Founder being in material or persistent breach of these Articles or the Investment Agreement which is either incapable of remedy or, if in the opinion of NVM (acting reasonably) capable of remedy, is not remedied within 14 days of a written notice from NVM to remedy it; or

21.11.2 there has been proposed a resolution for the winding up of the Company or the Company is unable to pay its debts as they fall due pursuant to section 123 of the Insolvency Act 1986 or where any mortgage, charge, pledge, lien, encumbrance or other security interest over the Company or the assets of the Company becomes enforceable.

21.12 In the event that a Founder becomes a Leaver, save in relation any of the Founder's Equity Shares that the Board has determined the Founder may retain pursuant to Article 14.2, the Shares held by the Founder shall immediately cease to entitle the Founder to attend, speak and vote (whether on a show of hands or on a poll) at any general meetings of the Company. The provisions of this Article 21.12 shall continue in the case of until such time as the Founder ceases to be a holder of Leaver Shares.

**22. Number, Appointment and Remuneration of Directors**

22.1 The number of Directors shall not be less than 2 and not more than 5 (unless a majority of the Board with Investor Consent agree otherwise).

22.2 An A Ordinary Majority, by notice in writing in accordance with Article 22.3, may from time to time:

22.2.1 subject to Article 22.2.2, appoint up to two persons to be Directors; or

22.2.2 if the Founder is appointed and continues to hold office as a Director pursuant to Article 22.11, appoint one person to be a Director.

Any person holding office pursuant to this Article 22.2 is referred to in these Articles as an **"A Ordinary Director"**. An A Ordinary Director shall hold office subject to Article 22 (Disqualification and Removal of Directors) and may at any time be removed from office or replaced by an A Ordinary Majority.

22.3 Any appointment, replacement or removal of an A Ordinary Director shall be made by notice in writing by an A Ordinary Majority 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.

22.4 The holder, or holders, of the majority of the C Ordinary Shares, by notice in writing in accordance with Article 22.5, may from time to time, appoint one person to be a Director. Any person holding office pursuant to this Article 22.4 is referred to in these Articles as an **"NVM Director"**. An NVM Director shall hold office subject to Article 23 (Disqualification and Removal of Directors) and may at any time be removed from office or replaced by the holder of the majority of the C Ordinary Shares.

22.5 Any appointment, replacement or removal of an NVM Director shall be made by notice in writing by a majority of the holders of the C Ordinary Shares 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.

22.6 Subject to section 168 of the Act, on any resolution to remove an NVM Director the C Ordinary Shares shall together carry one vote in excess of 50% of all the other votes exercisable in relation to such resolution and if any such NVM Director is removed pursuant to section 168 of the Act or otherwise the Investors may reappoint him or such other person as an NVM Director.

22.7 Upon written request from the holders of a majority of the C Ordinary Shares the Company shall procure that the NVM Director is forthwith appointed as a director of any other Group Company indicated in such request.

22.8 The holders of a majority of the C Ordinary Shares shall from time to time (and on a meeting by meeting basis as required) have the right to nominate, by notice in writing, one person to be an observer, who shall be entitled to:

22.8.1 receive notice of all meetings of the directors (and committees of directors) of each Group Company;

22.8.2 receive copies of all board papers as if he were a director of each such Group Company; and

22.8.3 attend, propose resolutions and speak at (but not vote) at any meeting of the directors (and committees of directors) of each Group Company.

22.9 In addition to the right to appoint and remove any person as an NVM Director, the holders of a majority of the C Ordinary Shares may from time to time appoint one director as a Chairman

(following consultation with the Founder as to the identity of such director) and remove and replace such person as a director and Chairman. Any such replacement will be made after consultation by the NVM Director with the Founder. If there is no Chairman in office for the time being, or if the Chairman is unable to attend any meeting of the directors, the directors present at the meeting must appoint another director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

- 22.10 The Seed Majority shall from time to time (and on a meeting by meeting basis as required) have the right to nominate, by notice in writing, one person to be an observer, who shall be entitled to:
- 22.10.1 receive notice of all meetings of the directors (and committees of directors) of each Group Company;
  - 22.10.2 receive copies of all board papers as if he were a director of each such Group Company; and
  - 22.10.3 attend, propose resolutions and speak at (but not vote) at any meeting of the directors (and committees of directors) of each Group Company.
- 22.11 The Board may by resolution from time to time appoint, remove and replace one person (other than the NVM Director or the Chairman) to be the CEO. The CEO from time to time shall hold office as a Director.
- 22.12 The Director appointed pursuant to Article 22.11 shall hold office subject to Article 23 (Disqualification and Removal of Directors) and may at any time be removed from office by a resolution of the Board (with any Director who is proposed to be removed not voting) and shall take effect on and from the date of such resolution.
- 22.13 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.
- 22.14 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.

## **23. Disqualification and Removal of Directors**

In addition to that provided in article 18 of the Model Articles, the office of a Director (other than an A Ordinary Director or an NVM Director) shall also be vacated if a majority of his co-Directors serve notice on him in writing, removing him from office.

## **24. Alternate Directors**

- 24.1 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 provided that each Director shall consult with the Founder while a Founder is CEO as to the identity of his alternate Director. 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.
- 24.2 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

24.3 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.

25.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. Any 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. A 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.

25.3 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 25.2 shall be sent to the Director resident outside the United Kingdom by pre-paid letter by post or facsimile or electronic mail to the address or number for the time being supplied for the purpose to the Company.

[illegible]

present, the Directors present at the expiry of such 30-minute period shall constitute a valid quorum of the Board on that occasion.

- 25.5 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.
- 25.6 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. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 25.7 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.
- 25.8 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.

## **26. Committees**

- 26.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- 26.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **27. Directors' interests**

- 27.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting. Article 14 of the Model Articles shall not apply to the Company.

### **27.2 *Specific interests of a Director***

Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- 27.2.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or

- proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 27.2.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- 27.2.3 where a Director (or a person connected with him) is a Shareholder or a shareholder in employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;
- 27.2.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 27.2.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested; or
- 27.2.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this.
- 27.3 *Interests of which a Director is not aware*
- For the purposes of this Article 26, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.
- 27.4 *Accountability of any benefit and validity of a contract*
- In any situation permitted by this Article 26 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.
- 27.5 *Director's duty of confidentiality to a person other than the Company*
- Subject to Article 27.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 26), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- 27.5.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- 27.5.2 otherwise to use or apply such confidential Information for the purpose of or in connection with the performance of his duties as a Director.
- 27.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 27.5 shall apply only if the conflict arises out of a matter which falls

within Article 27.1 or Article 27.2 or has been authorised under section 175(5)(a) of the Act.

**27.7**     *Requirement of a Director is to declare an interest*

Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 27.1 or Article 27.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- 27.7.1     if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 27.7.2     if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

**27.8**     *NVM Director Conflicts*

27.8.1     For the purposes of sections 175 and 180(4) of the Act and for all other purposes, and notwithstanding the provisions of Articles 27.1 to 27.7 it is acknowledged that an NVM Director may be or become subject to a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty, as a result of his also being or having been or being party to an agreement or arrangement or understanding or circumstances under which he may become *an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or a direct or indirect investor in and/or otherwise commercially involved with or economically interested in any of the following:*

- 27.8.1.1     an Investor;
- 27.8.1.2     an Investor Affiliate; or
- 27.8.1.3     an interest or similar incentive arrangement associated with any Investor or Investor Affiliate.

27.8.2     Any NVM Director the subject of a conflict situation envisaged by Article 27.8.1 shall:

- 27.8.2.1     not be held accountable to the Company for any benefit he directly or indirectly derives from his involvement in or with any person referred to in Articles 27.8.1.1 to 27.8.1.3 (inclusive) irrespective of whether the activities of such person or entity are or may become competitive with those of any Group Company;
- 27.8.2.2     be entitled to receive notice (including any relevant board papers) of, attend, count in the quorum towards and vote at board meetings relating in any way to and deal generally with, matters concerning, connected with or arising from the conflict situation concerned; and
- 27.8.2.3     be entitled to keep confidential and not disclose to the Company any information which comes into his possession as a result of such conflict situation where such information is confidential as regards any third party.



- 27.9 Subject to Article 27.10, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any director other than the Chairman is to be final and conclusive.
- 27.10 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 28. Members' reserve power**
- 28.1 The members may, with Investor Consent and by special resolution, direct the directors to take, or refrain from taking, specified action.
- 28.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.
- 29. Secretary**
- 29.1 The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit, and from time to time remove such person and, if the directors so decide, appoint a replacement in each case by a decision of the directors. Nothing in this Article 29 shall require the Company to have a secretary.
- 30. Company not bound by less than absolute interests**
- 30.1 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.
- 31. Company's lien over shares**
- 31.1 Partly paid Shares
- The Company may, with Investor Consent, issue Shares for less than the aggregate of their nominal value and any premium to be paid to the Company in consideration for its issue.
- 31.2 Lien
- 31.3 The Company has a lien (the "**Company's Lien**") over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 31.4 The Company's Lien over a Share:
- 31.4.1 takes priority over any third party's interest in that Share; and
- 31.4.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 31.4.3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
- 31.5 Enforcement of the Company's Lien

- 31.5.1 Subject to the provisions of this Article 31.5 if:
- 31.5.2 a Lien Enforcement Notice has been given in respect of a Share; and
- 31.5.3 the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the directors decide.
- 31.6 A lien enforcement notice (the **"Lien Enforcement Notice"**):
  - 31.6.1 may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
  - 31.6.2 must specify the Share concerned;
  - 31.6.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - 31.6.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and
  - 31.6.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 31.7 Where Shares are sold under this Article 31.7:
  - 31.7.1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
  - 31.7.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 31.8 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
  - 31.8.1 first, in payment of so much of the sum for which the lien exceeds as was payable at the date of the Lien Enforcement Notice; and
  - 31.8.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice.
- 31.9 A statutory declaration by a director that the declarant is a director and that a Share has been sold to satisfy the Company's Lien on a specified date:
  - 31.9.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 31.9.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 31.10 Call notices
  - 31.10.1 Subject to the Articles and the terms on which Shares are allotted, the directors may send a notice (a **"Call Notice"**) to a member requiring the member to pay the

Company a specified sum of money (a “Call”) which is payable to the Company at the date when the directors decide to send the Call Notice.

31.10.2 A Call Notice:

31.10.2.1 may not require a member to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;

31.10.2.2 must state when and how any Call to which it relates is to be paid; and

31.10.2.3 may permit or require the Call to be made in instalments.

31.10.3 A member must comply with the requirements of a Call Notice, but no member is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.

31.10.4 Before the Company has received any Call due under a Call Notice the directors may:

31.10.4.1 revoke it wholly or in part; or

31.10.4.2 specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose Shares the Call is made.

31.11 Liability to pay Calls

31.11.1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

31.11.2 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.

31.11.3 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:

31.11.3.1 to pay Calls which are not the same; or

31.11.3.2 to pay Calls at different times.

31.12 When Call Notice need not be issued

31.12.1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:

31.12.1.1 on allotment,

31.12.1.2 on the occurrence of a particular event; or

31.12.1.3 on a date fixed by or in accordance with the terms of issue.

31.12.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

31.13 Failure to comply with Call Notice: automatic consequences

31.13.1 If a person is liable to pay a Call and fails to do so by the Call payment date:

- 31.13.1.1 the directors may issue a notice of intended forfeiture to that person; and
  - 31.13.1.2 until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.
- 31.13.2 For the purposes of this Article 31.13:
  - 31.13.2.1 the "Call payment date" is the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the "Call payment date" is that later date; and
  - 31.13.2.2 the "relevant rate" is:
    - (a) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
    - (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
    - (c) if no rate is fixed in either of these ways, 5 per cent per annum.
- 31.13.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 31.13.4 The directors may waive any obligation to pay interest on a Call wholly or in part.
- 31.14 Notice of intended forfeiture
  - 31.14.1 A notice of intended forfeiture:
    - 31.14.1.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
    - 31.14.1.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;
    - 31.14.1.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
    - 31.14.1.4 must state how the payment is to be made; and
    - 31.14.1.5 must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.
- 31.15 Directors' power to forfeit Shares
  - 31.15.1 If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 31.16 Effect of forfeiture
  - 31.16.1 Subject to the Articles, the forfeiture of a Share extinguishes:

- 31.16.1.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
  - 31.16.1.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 31.16.2 Any Share which is forfeited in accordance with the Articles:
  - 31.16.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
  - 31.16.2.2 is deemed to be the property of the Company; and
  - 31.16.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 31.16.3 If a person's Shares have been forfeited:
  - 31.16.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
  - 31.16.3.2 that person ceases to be a member in respect of those Shares;
  - 31.16.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
  - 31.16.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - 31.16.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 31.16.4 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.
- 31.17 Procedure following forfeiture
  - 31.17.1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
  - 31.17.2 A statutory declaration by a director that the declarant is a director and that a Share has been forfeited on a specified date:
    - 31.17.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
    - 31.17.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 31.18 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 31.19 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

- 31.19.1.1 was, or would have become, payable; and
- 31.19.1.2 had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

#### 31.20 Surrender of Shares

- 31.20.1.1 A member may surrender any Share:
  - (a) in respect of which the directors may issue a notice of intended forfeiture;
  - (b) which the directors may forfeit; or
  - (c) which has been forfeited.
- 31.20.1.2 The directors may accept the surrender of any such Share.
- 31.20.1.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 31.20.1.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

### 32. Notices

- 32.1 A notice may be given by the Company to any Shareholder either personally or by sending it by pre-paid post or facsimile or electronic mail to his registered address or to any other address (or email 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 (or email) shall be deemed to have been given upon the first Business Day following that on which the notice is posted (or email sent). A Shareholder giving to the Company an address outside the United Kingdom shall be entitled to receive all notices by airmail or facsimile or email (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.
- 32.2 A notice given by facsimile shall be deemed to have been given at the same time as it is transmitted.
- 32.3 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.
- 32.4 Except as otherwise provided herein, all notices to be given pursuant to these Articles shall be in writing (including electronic form).

### 33. Indemnity and Insurance

- 33.1 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 33.1 shall only have effect in so far as its provisions are not voided by section 232 of the Act.

- 33.2 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.

**34. Data protection**

- 34.1 Each of the members and directors (from time to time) consents to the processing of his personal data by the Company, its members 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.

- 34.2 The personal data that may be processed for such purposes under this Article 79 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of 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:

34.2.1 a Member of the same Group as the Recipient (each a **"Recipient Group Company"**);

34.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company; and

34.2.3 funds managed by any of the Recipient Group Companies.

- 34.3 Each of the members 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.