

YOUTILITY LIMITED
(Company Number 09802196)
(Company)

FRIDAY



Written resolution of shareholders

Circulation Dated 19 December 2016

1. **Transaction**

The Directors of the Company had resolved to approve and authorise the following (together the **Transaction**)

- (a) As a special resolution, the existing £1 00 Ordinary Shares in the Company be divided in the ratio 1 100 into 100 shares having nominal value of £0 01 (**Share Split**) and redesignated as "A Ordinary Shares"
- (b) The creation of a new class of shares B Ordinary Shares having nominal value of £0 01 each, are non-voting, has equal rights to dividends and is entitled to participate in a distribution arising from a winding up of the company (**B Ordinary Shares**) to be allocated to EMI Employees or Option Holders, as applicable
- (c) The issue of the following shares (**New Shares**)
 - (i) 100 A Ordinary Shares to Charlie Quigley, and
 - (ii) 22 B Ordinary Shares to be allocated to EMI Employees or Option Holders, as applicable
- (d) The granting of share options (**Share Options**) to
 - (i) certain employees (**EMI Employees**) who are eligible for enterprise management incentives (**EMIs**) under the provisions of Chapter 9, Part 7 and Schedule 5 of the *Income Tax (Earnings and Pensions) Act 2003* (**ITEPA**) pursuant to an EMI Option Agreement between the Company and each EMI Employee (**EMI Option Agreement**), and/or
 - (ii) certain other employees and contractors (**Option Holders**) pursuant to an Option Agreement between the Company and each Option Holder (**Option Agreement**)
- (e) Share Options will give EMI Employees and Option Holders the right to subscribe for B Ordinary Shares in the capital of the Company, in accordance with the terms and conditions set out in the EMI Option Agreement or the Option Agreement, as applicable
- (f) In relation to EMI Share Options, these shall be granted and each EMI Option Agreement entered into on the following basis, in accordance with ITEPA (as amended) and all other legislation relevant to the granting of such EMIs
 - (i) Employees are all eligible employees in accordance with the ITEPA, and
 - (ii) Company qualifies to grant the Share Options

- (g) The grant of Share Options and issue of resulting B Ordinary Shares shall be subject to an overall cap on unexercised Share Options corresponding to 10% of the issued share capital of the Company
- (h) By special resolution, amend article 30 of the Company's articles to read as follows (**Amended Articles**)
 - (i) 30 1 Subject to Companies Act 2006 (**Companies Act**) but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of Companies Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of
 - (A) 30 1 1 £15,000, and
 - (B) 30 1 2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company

2. Resolution

The following resolutions are proposed by the Directors pursuant to Chapter 2 of Part 13 of the Companies Act 2006 and it was resolved that

- (a) the Company's entry into the Transaction is approved,
 - (b) by way of special resolution, the Company should
 - (i) undertake the Share Split, and
 - (ii) adopt the Amended Articles,
 - (c) As a special resolution, the Shareholders agree to irrevocably waive and dis-apply any pre-emptive rights under the *Companies Act 2006* (**Companies Act**), and all other pre-emptive and/or anti-dilution rights they may have, with respect to the issue of the New Shares
 - (d) As a special resolution, in accordance with section 570 of the Companies Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Companies Act) pursuant to the authority conferred by Article 10 of the Company's articles of association, as if section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall
 - (i) be limited to a maximum nominal amount of £100,
 - (ii) shall only apply insofar as the Company has not renewed, waived or revoked it, and
 - (iii) may only be exercised for a period of five years commencing on the date on which this resolution is passed, save that the Company may make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired
 - (c) Any director is authorised to
 - (i) execute an EMI Option Agreement with each EMI Employee,
 - (ii) execute an Option Agreement with each Option Holder, and
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- (iii) issue a new share certificate for the New Shares in the name of Charlie Quigley, each EMI Employee or Option Holder (as applicable),
- (d) Any director is authorised to approve the issue of resulting B Ordinary Shares upon exercise of any Share Options, provided that the number of unexercised Share Options corresponds to not more than 10% of the issued share capital of the Company
- (e) Any director, lawyers or accountants of the Company are authorised to
 - (i) complete all necessary reporting and notices with HMRC,
 - (ii) enter each members' name in the Company's register as the holder of A Ordinary Shares, Share Options and B Ordinary Shares (as applicable) and update the records of Companies House,
 - (iii) file the Amended Articles at Companies House, and
 - (iv) do anything and execute and deliver any document that any director considers necessary or incidental to, or in connection with, the preceding resolutions or the Transaction

3. Ratification

To the extent that any of the above authorised actions of any directors or lawyers of the Company have been undertaken prior to the date of this resolution, then those actions are hereby ratified

Agreement

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

Signed as a correct record

Signed



Name

William Kostons

Date

19/12/2016

Notes

- 1 If you agree to all the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by the following method

By returning an electronic copy of the signed version using HelloSign or by email to William Kistoris at the following address: wk@youtility.co.uk

- 2 If you do not agree to the Resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.
 - 3 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
 - 4 Unless, within 28 days beginning with the Circulation Date, sufficient agreement has been received from the required majority of eligible members for the Resolutions to be passed, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us on or before this date.
 - 5 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
 - 6 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.
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