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26/01/2019
COMPANIES HOUSE

COMPANY NO. 09929729

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

RESOLUTION IN WRITING OF

FOLDING HELMET TECHNOLOGY LIMITED
(“the Company”)

On the 21st day of December 2018, by way of a written resolution agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 by or on behalf of all the members of the Company who, at the date of circulating the resolution, were entitled to vote, the following resolutions of the Company were duly passed:

As ordinary and special resolutions in accordance with sections 282 and 283 of the Companies Act 2006

SPECIAL RESOLUTIONS

NEW ARTICLES

- (1) THAT the New Articles attached to this resolution be adopted as the new articles of association of the company in substitution for, and to the exclusion of, the existing articles of association.

DISAPPLICATION OF PRE-EMPTION RIGHTS

- (2) THAT, any and all rights of pre-emption or any other restriction on an issue or allotment of shares whether set out in the articles of association of the Company, the CA 2006, or otherwise are irrevocably waived in relation to any allotment made by the directors of the Company of Ordinary shares, pursuant to the authority to allot granted by resolution (3).

ORDINARY RESOLUTION

AUTHORITY TO ALLOT


- (3) THAT in accordance with section 551 of the Companies Act 2006 (**CA 2006**), the directors of the Company be unconditionally authorised to allot shares up to an aggregate nominal amount of £406.56. Unless renewed, varied or revoked by the Company, this authority shall expire on the date that is five (5) years from the date this resolution is passed save that the Company may before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this section has expired.

REDESIGNATION OF SHARES

- (4) Subject to the passing of resolutions (1), (2) and (3) and subsequent share completion of the transfer to Cloobek Companies LLC (CCL) THAT, CCL's 356,646 Ordinary shares of £0.001 each in the capital of the Company be and are hereby converted and re-designated as 356,646 Preference shares of £0.001 each in the capital of the Company having the rights and being subject to the restrictions set out in the New Articles.

Name: Lloyd Pinder

Signed:


.....
Director

Company Number: 9929729

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
FOLDING HELMET TECHNOLOGY LIMITED**

Adopted on 21 December 2018

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Company Number: 9929729

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
FOLDING HELMET TECHNOLOGY LIMITED

Adopted on 21 December 2018

1. DIS-APPLICATION OF MODEL ARTICLES

- 1.1 None of the model articles contained in the schedules to the Companies (Model Articles) Regulations 2008 (SI 2008/3229), or any amended subsequent legislation or statutory instrument containing model articles, shall apply to the Company.
- 1.2 The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) shall not apply to the Company.

2. INTERPRETATION

- 2.1 In these Articles, unless the context otherwise requires, the following words have the following meanings:

"Accepting Shareholder"	has the meaning given to it in Article 21.5;
"Acting in Concert"	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers for the time being in force;
"Address"	includes a number or address used for the <i>purposes of sending or receiving Documents</i> or information, including by Electronic Means;
"Adoption Date"	the date of adoption of these Articles;
"Appointor"	has the meaning given to it in Article 27.1.1;
"Articles"	means these Articles of Association;

"Asset Sale"	means the disposal (which shall include, without limitation, the grant by any Group Company of an exclusive licence of intellectual property not entered into in the ordinary course of business) by any Group Company of all or substantially all of its undertaking and assets;
"Associate"	in relation to a Shareholder: <ul style="list-style-type: none"> (a) who is an individual, any of his Relations, Family Trusts or the trustees of those Family Trusts or his Qualifying Companies; or (b) that is a company, any Member of the Same Group;
"Authenticated"	means (subject to section 1146 of the Companies Act) authenticated in such manner as the Board may in its absolute discretion determine;
"Available Profits"	profits available for distribution within the meaning of part 23 of the Companies Act;
"Bad Leaver"	has the meaning given to it in Article 23.5.1;
"Board"	the board of Directors from time to time and any committee of such board constituted for the purpose of taking any action or decision contemplated by these Articles;
"Bonus Issue" or "Reorganisation"	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Shareholders) or any consolidation or subdivision 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 Ordinary Shares issued as a result of the events set out in Article 9;
"Business Day"	a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for the transaction of non-automated banking business;
"Buyer"	has the meaning given to it in Article 21.1;

"Called Shareholders"	has the meaning given to it in Article 22.1;
"Called Shares"	has the meaning given to it in Article 22.2.1;
"Capitalised Sum"	has the meaning given to it in Article 31.1.1(b);
"Chairman"	has the meaning given to it in Article 28.6;
"Chairman of the Meeting"	has the meaning given to it in Article 32.3.3;
"Co-Founders"	Sally Fiszman, John Wagner and Paul Huberman, whilst each of them is a Shareholder or has transferred Shares to a Permitted Transferee;
"Companies Act"	the Companies Act 2006 (as amended, consolidated and restated from time to time);
"Company's Lien"	has the meaning set out in Article 40.1;
"Company"	Folding Helmet Technology Limited, a limited liability company registered in England & Wales under number 9929729;
"Compulsory Transfer Notice"	has the meaning given in Article 15.6;
"Controlling Interest"	means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 995 of ITA 2007;
"Conversion Date"	the date of the conversion of Preferred Shares into Ordinary Shares in accordance with Article 9;
"Conversion Rate"	the rate at which the Preferred Shares are converted into Ordinary Shares as calculated in accordance with Article 9.8;
"Conversion Price"	the Issue Price of a Preferred Share subject to adjustment under Article 9;
"Director"	a director of the Company from time to time and "Directors" means the Directors acting as the Board;
"Distribution Recipient"	has the meaning give to it in Article 30.2.2;
"Document"	includes summons, notice, order or other legal process and registers;
"Drag Along Notice"	has the meaning given to it in Article 22.1;
"Drag Along Option"	has the meaning given to it in Article 22.1;

"Electronic Form" and "Electronic Means"	have the meanings given to them in section 1168 of the Companies Act;
"Equity Securities"	has the meaning given in sections 560(1) to (3) inclusive of the Companies Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;
"Equity Shares"	the Preferred Shares and the Ordinary Shares;
"Equity Shareholders"	means the Holders of Equity Shares (but excludes the Company holding Treasury Shares);
"Exit"	a Share Sale or an Asset Sale;
"Fair Value"	has the meaning set out in Article 17;
"Family Trusts"	in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder and/or his Relations;
"Founder Director"	has the meaning set out in Article 26.2;
"Founder"	Jeffrey Woolf whilst he is a Shareholder or has transferred Shares to a Permitted Transferee;
"Founder Director"	has the meaning set out in Article 26.2.1;
"Founder Offer Notice"	has the meaning set out in Article 20.3;
"Founder Offer Shares" "Fully Paid"	has the meaning set out in Article 20.3.3(d); means, in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;
"Good Leaver"	Has the meaning given to it in Article 23.5.2;
"Group"	the Company and each and any of its subsidiaries from time to time, and "Group Company" shall be construed accordingly;
"Group Company Interest"	has the meaning given in Article 29.8;
"Hard Copy Form"	has the meaning given in section 1168 of the Companies Act;
"Holder"	in relation to Shares means the person whose name is entered in the register of members as

	the holder of the Shares;
“Holding Company”	has the meaning given to it in the Companies Act;
“Independent Director”	has the meaning set out in Article 26.2.4;
“Independent Expert”	means an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);
“Investors”	means the Lead Investor and any other Shareholder designated as an ‘Investor’ in the Shareholders Agreement;
“Investor Majority”	Investors holding at least 60 per cent of all Equity Shares from time to time held by the Investors;
“Investor Majority Consent”	the written consent or vote of the Investors who hold at least 60 per cent of all Equity Shares from time to time held by the Investors;
“Instrument”	means a Document in Hard Copy Form;
“Interested Directors”	has the meaning given to it in Article 29.3.2;
“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 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);
Issue Price	means the price at which the relevant Share is issued, including any premium, provided that the Issue Price of any Ordinary Shares that are converted into Preferred Shares shall be the acquisition price on conversion;
“ITA 2007”	the Income Tax Act 2007;
“Lead Investor”	Cloobek Companies LLC, a Nevada limited liability company with registration number E0465442006-3, who registered office is at

9060 W. Cheyenne Avenue, Las Vegas, NV
89129 United States whilst it is a Shareholder
or has transferred Shares to a Permitted
Transferee;

“Lien Enforcement Notice”	has the meaning set out in Article 40.3.1;
“Member of the Same Group”	as regards any company, a Subsidiary of that company, a company which is from time to time its <i>Holding Company</i> , and any other Subsidiary of any such Holding Company;
“NASDAQ”	means the NASDAQ Stock Market of the NASDAQ OMX Group Inc;
“New Shareholder”	has the meaning given to it in Article 22.11;
“Offer”	has the meaning given to it in Article 21.2;
“Offer Notice”	has the meaning given to it in Article 21.3;
“Offer Period”	has the meaning given to it in Article 21.3;
“Offer Shares”	has the meaning given to it in Article 21.3.4;
“Ordinary Resolution”	has the meaning given in section 282 of the <i>Companies Act</i> ;
“Ordinary Shares”	the ordinary shares of £0.001 each in the capital of the Company;
“Original Shareholder”	has the meaning set out in Article 14.1;
“Paid”	means paid or credited as paid;
“Permitted Transfer”	means a transfer of Shares in accordance with Article 14;
“Permitted Transferee”	means: <ul style="list-style-type: none">(a) in relation to a Shareholder who is an individual, any of his Relations, Family Trusts or Qualifying Companies;(b) in relation to a Shareholder that is an undertaking (as defined in section 1161(1) of the <i>Companies Act</i>) means any Member of the same Group;(c) in relation to an Investor:<ul style="list-style-type: none">(i) to any Member of the same Group; or(ii) to any nominee of an Investor;

	(d) in relation to an entity, any person or entity that controls, is controlled by or is under common control with, such entity;
"Persons Entitled"	has the meaning given to it in Article 31.1.1(b);
"Preferred Director"	has the meaning set out in Article 26.2.2;
"Preferred Shares"	the preferred ordinary shares of £0.001 each in the capital of the Company;
"Proceeds of Sale"	means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale;
"Proposed Buyer"	has the meaning given to it in Article 22.1;
"Proposed Transfer"	has the meaning given to it in Article 21.1;
"Proxy Notice"	has the meaning given to it in Article 33.4.1;
"Qualifying Company"	means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the Corporation Tax Act 2010);
"Qualifying IPO"	<p>(a) a fully underwritten IPO which values the Shares the subject of the IPO at, in aggregate, no less than £11,700,000 or more at a price per Ordinary Share of at least the Issue Price multiplied by two, of the Preferred Shares issued on or around the Adoption Date (such Share price being adjusted to take account of any Bonus issue or Reorganisation after the Adoption Date), but excluding for the purposes of such valuation any Shares issued or subscribed at the time of or in connection with the IPO, other than any Shares issued under the terms of a Share Plan; or</p> <p>(b) any IPO designated by notice in writing (addressed to the Company) as a Qualifying IPO by an Investor Majority;</p>

"Relation"	the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children;
"Relevant Executive"	an individual who is, or has been, a director and/or an employee of, or who provides or has provided consultancy services (whether personally or through a service company) to any Group Company excluding the Founder and the Co-Founders;
"Relevant Securities"	<p>any Equity Securities issued by the Company after the Adoption Date, other than:</p> <ul style="list-style-type: none"> (a) the grant of any options under a Share Plan (and the issue of Shares on the exercise of any such options); (b) any Equity Securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Shareholders Agreement; (c) any Equity Securities issued in consideration of the acquisition by the Company or any Group Company of any company or business which has been approved by the Board; (d) any Equity Securities issued or issuable to any banks, equipment lessors or other financial institutions pursuant to debt financing or commercial transactions approved by the Board; (e) any Equity Securities issued in connection with sponsored research, collaboration, technology licence, development, OEM, marketing or similar arrangements or strategic partnerships approved by the Board; and (f) any Equity Securities issued to suppliers of goods or services in connection with the provision of goods or services pursuant to transactions approved by the Board;
"Sale Date"	has the meaning given to it in Article 21.3;
"Seller"	a transferor of Shares;
"Sellers' Shares"	has the meaning given to it in Article 22.1;

"Selling Shareholders"	has the meaning given to it in Article 22.1;
"Shareholder"	a Holder of Shares;
"Shareholder Director"	has the meaning set out in Articles 26.2.3;
"Shareholders Agreement"	the shareholders agreement dated on or around the Adoption Date between, amongst others, the Company and the Investor (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms for the time being);
"Share Plan"	any share options, warrants or shares in the capital of the Company issued from time to time to Relevant Executives approved by the Board including for the avoidance of doubt any share options issued prior to the Adoption Date;
"Shares"	shares in the capital of the Company from time to time;
"Share Sale"	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 following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
"Special Resolution"	has the meaning given in section 283 of the Companies Act;
"Specified Price"	has the meaning given to it in Article 21.2;
"Subsidiary"	shall have the meaning given to it in the Companies Act and a company shall be treated, for the purposes only of the membership requirement contained in subsection 1159(1)(b) and (c) of the Companies Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;

"Transfer Notice"	has the meaning set out in Article 16.1;
"Transmittee"	means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;
"Treasury Shares"	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Companies Act;
"Trustee"	in relation to a Shareholder means the trustee or the trustees of a Family Trust;
"Writing" or "Written"	means printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words, symbols or other information in a legible and non-transitory form, including (subject to the provisions of the Companies Act) in Electronic Form.

- 2.2 References to the bankruptcy or insolvency of a person or the appointment of a liquidator, administrator or administrative receiver, or entry into compositions or arrangements with creditors shall include any analogous events or proceedings in any relevant jurisdiction.
- 2.3 References to a person shall include a natural person, body corporate or unincorporated body as the context requires.
- 2.4 Words importing the singular include the plural and vice versa, and words importing any gender include any other gender.

3. SHARE CAPITAL AND LIMITATION OF LIABILITY

- 3.1 The share capital of the Company at the Adoption Date of these Articles consists of 1,312,968 Ordinary Shares and 363,778 Preferred Shares.
- 3.2 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

4. SHARES

4.1 All Shares to be fully paid up

- 4.1.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be Paid to the Company in consideration for its issue.
- 4.1.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

4.2 Powers to issue different classes of Share

- 4.2.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by Ordinary Resolution.
- 4.2.2 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, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.

4.3 Company not bound by less than absolute interests

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 the 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.

4.4 Share certificates

- 4.4.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 4.4.2 Every certificate must specify:
 - (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares;
 - (c) that the Shares are fully Paid; and
 - (d) any distinguishing numbers assigned to them.
- 4.4.3 No certificate may be issued in respect of Shares of more than one class.
- 4.4.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 4.4.5 Certificates must:
 - (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Act.

4.5 Replacement share certificates

- 4.5.1 If a certificate issued in respect of a Shareholder's Shares is:
 - (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

4.5.2 A Shareholder exercising the right to be issued with such a replacement certificate:

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

4.6 Treasury Shares

4.6.1 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:

- (a) receive notice of or to attend or vote at any general meeting of the Company;
- (b) receive or vote on any proposed written resolution; and
- (c) receive a dividend or other distribution,

save as otherwise permitted by section 726(4) of the Act.

5. DIVIDENDS

5.1 In respect of any financial year, the Company's Available Profits will be applied as set out in this Article 5.

5.2 Any Available Profits which the Company may determine, with Investor Majority Consent, and in accordance with the procedures set out in Article 30, to distribute in respect of any financial year, will be distributed among the Holders of the:

5.2.1 Preferred Shares on the basis of the amount that the Holders thereof would receive if the Preferred Shares had been converted into Ordinary Shares in accordance with Article 8; and

5.2.2 Ordinary Shares;

such distribution to be on a pari passu basis as if all Shares constituted one class of share and pro rata to their respective holdings of Ordinary Shares or in the case of the Holders of Preferred Shares, on the basis set out in Article 5.2.1.

5.3 Subject to the Companies Act, any Shareholders Agreement and these Articles, the Board may, with Investor Majority Consent, pay interim dividends if justified by the Available Profits in respect of the relevant period.

- 5.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 5.5 In the case that there are partly paid shares, except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be:
- 5.5.1 declared and paid according to the nominal amounts paid up on the Shares on which the dividend is paid; and
 - 5.5.2 apportioned and paid proportionately to the nominal amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- 5.6 A capitalised sum that was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 5.7 If:
- 5.7.1 a Share is subject to the Company's Lien; and
 - 5.7.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,
- they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of:
- (a) the fact and sum of any such deduction;
 - (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - (c) how the money deducted has been applied.

6. LIQUIDATION PREFERENCE

- 6.1 On a distribution of assets on a liquidation, winding-up, dissolution or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities ("**Liquidation Proceeds**") shall be applied (to the extent that the Company is lawfully permitted to do so):
- 6.1.1 first in paying to each of the Holders of the Preferred Shares, in priority to any other classes of Shares, an amount per Preferred Share held equal to the higher of:
 - (a) the Issue Price for each Preferred Share and any arrears and accruals of any dividends declared thereon (provided that if there are insufficient surplus assets to pay the amounts per Preferred Share equal to the Issue Price, the remaining surplus assets shall

be distributed to the Holders of the Preferred Shares pro rata to their respective holdings of Preferred Shares); or

(b) the amount per Preferred Share to which the Preferred Shareholders would be entitled if the Liquidation Proceeds were distributed among all holders of Equity Shares pro rata to the number of Equity Shares held; and

6.1.2 the balance of the Liquidation Proceeds (if any) shall be distributed among the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held.

7. EXIT PROVISIONS

7.1 On a Share Sale, the Proceeds of Sale shall be distributed in the order of priority set out in Article 6 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

7.1.1 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 6.1; and

7.1.2 the Shareholders shall take any action required by an Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 6.1.

7.2 In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 6.1

7.3 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 6.1 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 an Investor Majority (including, but without prejudice to the generality of this Article 7.3, actions that may be necessary to put the Company into voluntary liquidation) so that Article 6.1 applies.

7.4 The rights of the Holders of the Preferred Shares in this Article 7 may be waived in whole or in part with the consent or vote of the Shareholders holding at least 60 per cent of the Preferred Shares.

7.5 In the event of an Exit approved by the Board and Shareholders holding more than 50 per cent of the Shares (which must include the Founder), (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit.

8. VOTES IN GENERAL MEETINGS AND WRITTEN RESOLUTIONS

- 8.1 The Preferred Shares shall confer on each holder of Preferred Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 8.2 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 8.3 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll:
 - 8.3.1 each such Holder of Preferred Shares so present shall have the number of votes that it would have been entitled to if the Preferred Shares had been converted into Ordinary Shares in accordance with Article 8; and
 - 8.3.2 each Holder of Ordinary Shares shall have one vote for each Ordinary Share held.
- 8.4 No voting rights attached to a share which is nil paid may be exercised:
 - 8.4.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
 - 8.4.2 on any proposed written resolution,unless all or some of the amounts payable to the Company in respect of that share have been paid.

9. CONVERSION OF PREFERRED SHARES

- 9.1 Any holder of Preferred Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the Preferred Shares held by them at any time and those Preferred Shares shall convert automatically on the date of such notice ("**Conversion Date**"), provided that the Holder may in such notice, state that conversion of its Preferred Shares into Ordinary Shares is conditional upon the occurrence of one or more events ("**Conditions**").
- 9.2 All of the Preferred Shares shall automatically convert into Ordinary Shares:
 - 9.2.1 on the date of a notice given by the Investors holding at least 60 percent of the Preferred Shares (which date shall be treated as the Conversion Date; or
 - 9.2.2 immediately upon the occurrence of a Qualifying IPO.

- 9.3 In the case of i) Articles 9.1 and **Error! Reference source not found.**, not more than five Business Days after the Conversion Date or (ii) in the case of Article **Error! Reference source not found.**, at least five Business Days prior to the occurrence of the Qualifying IPO, each holder of the relevant Preferred Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Preferred Shares being converted to the Company at its registered office for the time being.
- 9.4 Where conversion is mandatory on the occurrence of a Qualifying IPO, that conversion will be effective only immediately prior to such Qualifying IPO (and "**Conversion Date**" shall be construed accordingly). In the event of a conversion under Article 8.1, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 9.5 On the Conversion Date, the relevant Preferred Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Preferred Share held subject to any applicable adjustment in accordance Article **Error! Reference source not found.** ("**Conversion Rate**") and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 9.6 The Company shall on the Conversion Date enter the holder of the converted Preferred Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant Holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Preferred Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Preferred 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 Ordinary Shares.
- 9.7 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to holders of the Preferred Shares falling to be converted a dividend equal to all arrears of dividends in relation to those Preferred Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such arrears of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any arrears of dividends that remain outstanding shall continue to be at debt due from and immediately payable by the Company.
- 9.8 The Conversion Rate and the Conversion Price shall from time to time be adjusted in accordance with the provisions of this Article:
- 9.8.1 if the Company issues any Relevant Securities without consideration or for a consideration per Share less than the Original Issue Price of a Preferred Share, then the Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a pence) determined in accordance with the following formula:

$$CP_2 = CP_1 \text{ multiplied by } ((A + B) \div (A + C)).$$

- 9.8.2 The Conversion Rate shall then be adjusted by dividing the Issue Price by **CP₂**.
- 9.8.3 For purposes of the formula in this Article 9.8, the following definitions shall apply:
- "CP₂"** shall mean the Conversion Price in effect immediately after such issue of additional Relevant Securities;
- "CP₁"** shall mean the Conversion Price in effect immediately prior to such issue of additional Relevant Securities;
- "A"** shall mean the number of Shares including all Equity Securities issued immediately prior to such issue of additional Relevant Securities (treating for this purpose as outstanding all Shares issuable upon exercise of share options or warrants outstanding immediately prior to such issue or upon conversion or exchange of Equity Securities (including the Preferred Shares) outstanding (assuming exercise of any outstanding share options or warrants therefor) immediately prior to such issue);
- "B"** shall mean the number of Shares including all Equity Securities that would have been issued if such additional Shares including all Equity Securities had been issued at a price per Share equal to **CP₁** (determined by dividing the aggregate consideration received by the Company in respect of such issue by **CP₁**); and
- "C"** shall mean the number of such additional Shares including all Equity Securities issued in such transaction;
- 9.8.4 if Preferred Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Rate shall be adjusted by an amount, which in the opinion of the Board (with the prior written consent or vote of Shareholders holding 60 per cent of the Preferred Shares) is fair and reasonable, to maintain the right to convert so as to ensure that each Holder of Preferred Shares 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;
- 9.8.5 if Preferred Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares the Conversion Rate shall be adjusted by an amount, which in the opinion of the Board (with the prior written consent or vote of the Shareholders holding 60 per cent of the Preferred Shares) is fair and reasonable, to maintain the right to convert so as to ensure that each Holder of Preferred Shares 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;
- 9.9 If any Holder of Preferred Shares becomes entitled to fractions of an Ordinary Share as a result of conversion ("**Fractional Holders**"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of

the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the member. For the purposes of completing any such sale of fractions, the chairman of the Board will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

- 9.10 If a doubt or dispute arises concerning an adjustment or Conversion Rate in accordance with Article 9.8, or if so requested by Shareholders holding 60 per cent of the Preferred Shares, 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.
- 9.11 In the event of any Bonus Issue or Reorganisation, the Issue Price for the purposes of this Article 9 shall also be subject to adjustment on such basis as may be agreed by the Company and Shareholders holding 60 per cent of the Preferred Shares within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Investor Majority 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.

10. FURTHER ISSUES OF SHARES

- 10.1 Section 550 of the Companies Act shall not apply to the Company.
- 10.2 Sections 561 and 562 of the Companies Act (statutory pre-emption rights) shall apply to the Company in relation to the issue of Relevant Securities but the offer period referred to in those sections shall be a period of at least 10 Business Days. This Article 10.2 is subject always to the provisions of sections 570 and 571 of the Companies Act (disapplication of pre-emption rights).
- 10.3 The provisions of section 565 of the Companies Act shall not apply to the Company.

11. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

- 11.1 The Company may pay any person a commission in consideration for that person:
 - 11.1.1 subscribing, or agreeing to subscribe, for Shares, or
 - 11.1.2 procuring, or agreeing to procure, subscriptions for Shares.
- 11.2 Any such commission may be Paid:
 - 11.2.1 in cash or in fully Paid Shares or other securities, or partly in one way and partly in the other, and
 - 11.2.2 in respect of a conditional or an absolute subscription.

12. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

- 12.1 When, as a result of a sub-division or a consolidation of Shares, Shareholders are entitled to fractions of Shares the Directors may:
 - 12.1.1 sell the Shares representing the fractions to any person for the best price reasonably obtainable;
 - 12.1.2 authorise an Instrument of transfer to be executed in accordance with the directions of the purchaser; and
 - 12.1.3 distribute the net proceeds of sale in due proportion among the Shareholders.
- 12.2 The purchaser of such Shares shall not be obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 12.3 The purchaser's title to the Shares shall not be affected by any irregularity in, or invalidity of the process leading to their sale.

13. TRANSFER OF SHARES

- 13.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share or the renunciation or assignment of any rights to receive or subscribe for that Share, and reference to a Share includes both a legal and a beneficial or other interest in a Share unless otherwise indicated, but it does not include, in situations where the Holder subscribed for or purchased the Share as nominee for one or more beneficial owners:
 - 13.1.1 the transfer, assignment or other disposal of a beneficial or other interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a beneficial or other interest in, a Share provided that the nominee that holds a legal interest in such Share remains the same; or
 - 13.1.2 the transfer, assignment or other disposal of a legal interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a legal interest in, a Share from the nominee to any person who has a beneficial or other interest in that Share, provided that notice of such transfer is given to the Board.
- 13.2 Shares may be transferred by means of an Instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- 13.3 No fee may be charged for registering any Instrument of transfer or other Document relating to or affecting the title to any Share.
- 13.4 The Company may retain any Instrument of transfer which is registered.

- 13.5 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.
- 13.6 Any transfer of a Share by way of sale that is required to be made under these Articles shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 13.7 The Directors may refuse to register a transfer of a Share:
- 13.7.1 unless it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates (or a suitable indemnity for any lost share certificate) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - 13.7.2 to a bankrupt, a minor or a person of unsound mind; or
 - 13.7.3 to an employee, Director or prospective employee or Director where that person has not entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 13.8 The Directors may, as a condition to the registration of any transfer of any Share, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar Document) *in force between any of the Shareholders and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other Document)*. If any condition is imposed in accordance with this Article 13.8, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 13.9 To enable the Directors to determine whether or not there has been any transfer of a Share in breach of these Articles, the Directors may 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 provide the Company with any information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the Holder of such Shares in Writing of that fact and the following shall occur:
- 13.9.1 the relevant Shares shall cease to confer any rights to vote or to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares in the capital of the Company issued in respect of those Shares, or in pursuance of an offer made to the relevant Holder; and

- 13.9.2 the holder may be required at any time following receipt of the notice, to transfer some or all of his Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.
- 13.10 The rights referred to in Article 13.9.1 may be reinstated by the Directors at such time as they think fit or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 13.9.2.

14. PERMITTED TRANSFERS

- 14.1 A Holder of Equity Shares other than a Relevant Executive ("**Original Shareholder**") may transfer all or any of his or its Equity Shares to a Permitted Transferee without restriction as to price or otherwise.
- 14.2 Equity Shares previously transferred as permitted by Article 14.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 14.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Ordinary Shares or Preferred Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Ordinary Share or Preferred Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 14.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 14.5 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 14.6 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 14.6.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 14.6.2 with the identity of the proposed trustees;
- 14.6.3 the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and

- 14.6.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 14.7 If a company to which a Share has been transferred under Article 14.5, ceases to be a Qualifying Company it must within five Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (any may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board to have given a Transfer Notice in respect of such Ordinary Shares or Preferred Shares.
- 14.8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:
- 14.8.1 execute and deliver to the Company a transfer of the Ordinary Shares or Preferred Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- 14.8.2 give a Transfer Notice to the Company,
- failing which he shall be deemed to have given a Transfer Notice.
- 14.9 On the death (subject to Article 14.3), 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.
- 14.10 In relation to any Shares held by Seedrs Nominees Limited, the following transfers shall be considered Permitted Transfers:
- 14.10.1 any transfer of the Shares to any person who is the beneficial owner of such Shares;
- 14.10.2 any transfer of the Shares to any person who is to hold the Shares as nominee for the beneficial owner in substitution for the then registered shareholder; and
- 14.10.3 any transfer of the beneficial ownership of such Share, where the identity of registered legal shareholder remains the same before and immediately after such transfer of beneficial ownership.

- 14.11 A transfer of any Equity Shares approved by the Board acting with Investor Majority 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.

15. COMPULSORY TRANSFERS

- 15.1 Subject to Article 15.5, if any Shares remain 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:

15.1.1 to effect a transfer of those Shares; or

15.1.2 to show, to the satisfaction of the Directors, that a transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Shareholder.

If either paragraph 15.1.1 or 15.1.2 of this Article 15.1 is not fulfilled to the satisfaction of the Directors, a Compulsory Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

- 15.2 Subject to Article 15.5, if a Shareholder is adjudged bankrupt or makes any arrangement or composition with his creditors generally, then that Shareholder shall immediately be deemed to have given a Compulsory Transfer Notice in relation to all Shares held by him.
- 15.3 Subject to Article 15.5, if a Shareholder that is a company suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then that Shareholder shall immediately be deemed to have given a Compulsory Transfer Notice in respect of all Shares held by it.
- 15.4 If there is a change in control (as control is defined in section 1124 of the Corporation Taxes Act 2010) of any Shareholder which is a corporate entity (other than a Shareholder who is a nominee only), it shall be bound at any time, if and when required in writing by the Directors to do so, to give a Transfer Notice in respect of all the Shares registered in its name save that, in the case of a 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 before being required to serve a Transfer Notice.
- 15.5 Where a Shareholder holds a legal interest in a Share on behalf of another person and the Company is on notice of such arrangement, the provisions of Articles 15.1, 15.2, 15.3 and 15.4 shall not apply to such Shareholder, and instead if such a Shareholder suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then:
- 15.5.1 if the Shareholder notifies the Company of its intention to transfer the legal interest in the relevant Shares within one month from the date of such appointment or composition or arrangement, then the

Company shall, together with such Shareholder, take such steps as may be reasonably be required to effect such a transfer of the legal interest of the relevant Shares; and

15.5.2 if the Shareholder fails to notify the Company in accordance with Article 15.5.1, then a Compulsory Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

15.6 A "**Compulsory Transfer Notice**" means a notice given, or deemed to be given, by a relevant Shareholder appointing the Board (acting by any director) the agent of the Shareholder with full power to transfer the specified Shares at Fair Value (except in the case of a Compulsory Transfer Notice under Articles 15.2 or 15.3, the price shall be Fair Value with a discount of 70% to reflect that the shareholding is a minority shareholding) to such person and on such terms, or to determine that such Shares should not be transferred, as the Board deems reasonable and appropriate.

15.7 If a Compulsory Transfer Notice is given or is deemed to have been given, the Board shall be entitled by notice in writing to the relevant Shareholder at any time whilst such Compulsory Transfer Notice subsists, require the relevant Shareholder not to exercise its right to attend and vote at general meetings of the Company or receive notice of, or vote on, any written resolution of the Shareholders.

16. PRE-EMPTION RIGHTS ON TRANSFER OF SHARES

Transfer Notice

16.1 Save for a transfer of Shares permitted by Article 14 (*Permitted Transfers*) Article 15 (*Compulsory Share Transfers*) or any other transfer of Shares permitted by these Articles or any Shareholders Agreement and subject as provided in Articles 22 (*Drag Rights*) and Article 21 (*Tag Rights*), before transferring any Shares the person proposing to transfer the same ("**Proposing Transferor**") shall give notice in writing ("**Transfer Notice**") to the Company that he proposes to transfer such Shares ("**Sale Shares**") and shall state in the Transfer Notice:

16.1.1 the name and business (if any) of the proposing transferee ("**Proposing Transferee**");

16.1.2 the cash price per Share at which the Sale Shares are to be sold to such third party ("**Price**"); and

16.1.3 all other material terms of the proposed transfer ("**Terms**").

The Transfer Notice shall constitute the Company (by the Board) the agent for the transfer of the Sale Shares at the Price and on the Terms. Except where stated otherwise in this Article, a Transfer Notice once given or required to be given or deemed to have been given shall be irrevocable. A Transfer Notice may contain a provision that unless all or a specified number of the Sale Shares are sold by the Company, the Transfer Notice shall be withdrawn and any such provision shall be binding on the Company.

Offer of Sale Shares

16.2 On receipt of a Transfer Notice, the Sale Shares shall be offered for sale by the Company in writing for purchase at the Price and on the Terms to:

16.2.1 the Lead Investor, the Founder and any Co-Founder (other than the Proposing Transferor) if the Sale Shares are held by the Lead Investor, the Founder, a Co-Founder or a Relevant Executive; or

16.2.2 to all Shareholders (other than the Proposing Transferor) if the Sale Shares are held by any Shareholder other than the Lead Investor, the Founder, any Co-Founder or a Relevant Executive,

in each case the "Offer", within 10 Business Days.

First Offer Period

16.3 In the case of an Offer under Article 16.2.1, the Offer shall specify that unless the Offer is accepted within 10 Business Days ("**First Offer Period**") it will lapse. If the Offer is accepted by any of the Lead Investor and/or the Founder and/or any one of the Co-Founders, completion of the purchase of the Sale Shares must take place within 20 Business Days of acceptance of the Offer otherwise the Offer will lapse. In the case of competition in respect of any such Offer, the Sale Shares so offered shall be allocated to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holding of Equity Shares.

Second Offer Period

16.4 If, in the case of an Offer under Article 16.2.1, the Directors shall not by the end of the First Offer Period find purchasers willing to purchase all the Sale Shares at the Price and on the Terms the Sale Shares shall be offered for sale by the Company in writing for purchase at the Price and on the Terms to all the Shareholders (other than the Lead Investor, the Founder, the Co-Founders and the Proposing Transferor) within 10 Business Days of the end of the First Offer Period. The Offer shall specify that unless the Offer is accepted within 10 Business Days it will lapse ("**Second Offer Period**"). The provisions of Articles 16.3 and 16.6 shall apply to the Second Offer Period (with necessary changes to suit the context). In the case of competition in respect of any such Offer the Sale Shares so offered shall be allocated to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by it) to their existing holding of Equity Shares.

Offer Period under Article 16.2.2

16.5 In the case of an Offer under Article 16.2.2, the Offer shall specify that unless the Offer is accepted within 10 Business Days ("**Offer Period**") it will lapse. If the Offer is accepted by any of the Shareholders, completion of the purchase of the Sale Shares must take place within 20 Business Days of acceptance of the Offer otherwise the Offer will lapse. In the case of competition in respect of any such Offer, the Sale Shares so offered shall be allocated to the acceptors

in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by it) to their existing holding of Equity Shares.

Notification of Purchaser

- 16.6 If a Shareholder shall within the relevant Offer Period accept the offer (the "**Purchaser**") to purchase the Sale Shares or any of them and the Board gives notice in writing thereof to the Proposing Transferor, the Proposing Transferor shall be bound, upon payment of the Price, and upon fulfilment of the Terms (if any) to transfer the Sale Shares to the Purchaser. Every such notice from the Directors shall state the name and address of the Purchaser and the number of shares agreed to be purchased by it. The purchase shall be completed as soon as reasonably practicable and in any event within 20 Business Days of acceptance of the Offer by the Purchaser at a place and time to be appointed by the Directors when, against payment of the Price and any relevant stamp duties and fulfilment of the Terms (if any), the Proposing Transferor shall deliver transfers in favour of the Purchaser together with the share certificates in respect of the relevant Sale Shares and the Purchaser shall be registered as the holder of the relevant Sale Shares in the register of members of the Company and a share certificate in respect of the Sale Shares shall be delivered to the Purchaser as soon as practicable thereafter.

Purchasers not found for Sale Shares

- 16.7 If the Directors shall not by the expiry of the relevant Offer Periods referred to in Article 16.3, 16.4 and 16.4 find Purchasers willing to purchase all the Sale Shares at the Price and on the Terms the Proposing Transferor at any time thereafter up to 60 Business Days from the date of expiry of the Second Offer Period (or the Offer Period referred to in Article 16.5 may shall be at liberty to transfer those of the Sale Shares which have not been purchased by the Purchasers to any person by way of a bona fide sale at any cash price being not less than the Price and on any terms being not less onerous than the Terms provided that:

- 16.7.1 the Directors may require to be satisfied that the Sale Shares are being transferred pursuant to a bona fide sale upon the Terms and at the Price without any deduction, rebate or allowance whatsoever to the Proposed Transferee and if not so satisfied may refuse to register the instrument of transfer;
- 16.7.2 the transferee is not in the reasonable opinion of the Board a competitor of the Company.

Failure to complete by Purchaser

- 16.8 Where the Board has found a Purchaser or Purchasers and through no default of the Proposing Transferor any purchase is not duly completed, the Board shall forthwith notify the Purchaser or all of the Purchasers (as the case may be) and if within 5 Business Days of such notice being given the Purchaser or Purchasers between them shall not have duly completed the purchase of the Sale Shares in respect of which there has been default in completion, the Proposing Transferor shall be at liberty to sell those of the Sale Shares not purchased by the Purchasers to the Proposed Transferee in accordance with, and subject to the restrictions, in Article 16.7.

- 16.9 The restrictions imposed by this Article 16 may, subject to the terms of any Shareholders Agreement, be waived in relation to any proposed transfer of Shares with Investor Majority Consent and with the written consent of Shareholders holding 75% or more of the Shares or by a Special Resolution being passed by the Shareholders excluding in both cases the Proposing Transferor.
- 16.10 The restrictions imposed by this Article 16 are subject to the terms of any Shareholders' Agreement.
- 16.11 If a Transfer Notice is given or is deemed to have been given, the Board shall be entitled by notice in writing to the relevant Shareholder at any time whilst such Transfer Notice subsists, require the relevant Shareholder not to exercise its right to attend and vote at general meetings of the Company or receive notice of, or vote on, any written resolution of the Shareholders.

17. FAIR VALUE

- 17.1 For the purposes of these Articles, Fair Value shall be a price for the relevant Shares agreed by the seller of the Shares and the Board or in the absence of agreement, as established by the Independent Expert in accordance with this Article.
- 17.2 The Independent Expert shall be asked to state in writing what is in their opinion the fair selling value of the relevant Shares on the open market as between a willing seller and a willing purchaser without taking into account the fact that the Shares may be a different class of Shares or that the relevant Shares represent a minority of the whole of the issued share capital of the Company.
- 17.3 For the purpose of determining the Fair Value in accordance with this Article 17, the Independent Expert shall take account of information which a prudent prospective purchaser might reasonably require if he were proposing to purchase the relevant Shares from a willing seller by private contract and at arm's length together with such information as any Shareholder may wish to provide to them and such other information as they may reasonably require. In so stating their opinion the Independent Expert shall be deemed to act as experts and not as arbitrators and their determination shall be final and binding on all concerned in the absence of manifest error.
- 17.4 The costs involved in the Independent Expert's determination of the Fair Value shall be borne equally by the Company and the proposing transferor unless the Independent Expert determine otherwise.
- 17.5 If the Independent Expert declines to act for any reason when requested to do so for the purpose of determining the Fair Value, the Company and the proposing transferor will attempt to agree the appointment of an independent accountant but in the absence of agreement, an independent accountant appointed by the President of the Institute of Chartered Accountants of England and Wales (or his equivalent from time to time) shall be appointed and shall act as an expert and not as an arbitrator.

18. APPOINTMENT OF ATTORNEY/AGENT

If in any case a transferor, after having become bound to transfer any Shares in accordance with these Articles, defaults in so doing or shall fail to deliver share certificates in respect thereof, the Board may authorise a Director or any other person (and the transferor appoints such person as its attorney and/or agent) to execute and deliver on the transferor's behalf any necessary transfer in favour of the relevant transferee and shall receive the purchase money and shall thereupon (subject to the transfer being duly stamped) cause the name of the relevant transferee to be entered into the register of members of the Company as the holder of the relevant Shares. The Company shall hold the purchase money in trust for the relevant transferee but shall not be bound to earn or pay interest. The receipt of the Company for the purchase money shall be a good discharge to the relevant transferee who shall not be bound to see to the application thereof and after the name of the relevant transferee has been entered in the register of members in purported exercise of these powers the validity of the proceedings shall not be questioned by any person.

19. TRANSMISSION OF SHARES

19.1 Transmission

- 19.1.1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share.
- 19.1.2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:
 - (a) may, subject to the Articles, choose either to become the Holder of those Shares or to have them transferred to another person: and
 - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the Holder had.
- 19.1.3 But Transmitttees do not have the right to attend or vote at a general meeting, or agree to a proposed Written resolution, in respect of Shares to which they are entitled, by reason of the Holder's death or bankruptcy or otherwise, unless they become the Holders of those Shares.

19.2 Exercise of Transmitttees' rights

- 19.2.1 Transmitttees who wish to become the Holders of Shares to which they have become entitled must notify the Company in Writing of that wish.
- 19.2.2 If the Transmitttee wishes to have a Share transferred to another person, the Transmitttee must execute an Instrument of transfer in respect of it.
- 19.2.3 *Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.*

19.3 Transmittees bound by prior notices

If a notice is given to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice if it was given to the Shareholder before the Transmitttee's name has been entered in the register of members.

20. PROPORTIONATE TAG RIGHTS

For the purpose of this Article 20 only, the term and any reference to **Founders** means the Founder and any one of the Co-Founders (**but** excluding Sally Fizman).

20.1 The Parties acknowledge that Article 16 contains pre-emption rights of the Shareholders on the proposed transfer of certain Shares and Article 21 contains *tag rights* of the Shareholders. Subject to compliance with such pre-emption rights in the Articles, if the Founders wishes to sell or dispose of any Shares held by them (other than as permitted under Article 14 (*Permitted Transfers*), Article 15 (*Compulsory Transfers*) or in circumstances where Article 21 (*Tag Rights*) applies, the provisions of this Article 20 shall apply if, in one or a series of related transactions, one or more Founder ("**Selling Founder(s)**") propose to transfer any Shares ("**Founder Sale Shares**") to a person who is not connected to any holder of Shares ("**Unconnected Buyer**").

20.2 Before entering into a sale or disposal of the Founder Sale Shares ("**Proposed Sale**"), the Selling Founder(s) shall procure that the Unconnected Buyer makes an offer ("**Buyer's Offer**") to the Lead Investor and the Founders who are not Selling Founders to purchase a proportionate number of Shares held by the Lead Investor and the balance of the Founders, respectively, that the number of Founder Sale Shares bears to the total number of Shares held by the Selling Founder(s) for a consideration in cash (or non-cash equivalent provided always that the Lead Investor and/or Founders who are not Selling Founders receive(s) cash or the same form of consideration to be paid by the Unconnected Buyer to the Selling Founder(s) per Founder Sale Share that is at least equal to the price per Founder Sale Share offered or paid by the Unconnected Buyer for the Founder Sale Shares ("**Founder Price**").

20.3 The Buyer's Offer shall be made by written notice ("**Founder Offer Notice**"), at least 10 Business Days ("**Founder Offer Period**") before the proposed sale date. To the extent not described in any accompanying documents, the Founder Offer Notice must:

20.3.1 be governed by the law of England and Wales;

20.3.2 give a date by which it is open for acceptance by the Lead Investor and Founders who are not Selling Founders giving notice in writing to the Company, which date must be at least 10 Business Days after the Founder Offer Notice is served;

20.3.3 shall set out:

(a) the identity of the Unconnected Buyer;

(b) the purchase price and other terms and conditions of payment;

(c) the proposed date of the Proposed Sale; and

- (d) the number of Shares proposed to be purchased by the Unconnected Buyer from the Lead Investor and Founders who are not Selling Founders ("**Founder Offer Shares**").

- 20.4 If the Unconnected Buyer fails to make a Buyer's Offer to the Lead Investor and Founders who are not Selling Founders, the Selling Founder(s) shall not be entitled to complete the Proposed Sale and the Company shall not register any transfer intended to effect the Proposed Sale.
- 20.5 If the Offer is accepted by the Lead Investor and/or Founders who are not Selling Founders within the Offer Period, the completion of the Proposed Sale shall be conditional on completion of the purchase of all the Founder Sale Shares and the Founder Offer Shares.

21. TAG ALONG

- 21.1 Except in the case of transfers pursuant to Article 14 or Article 22, the provisions of Article 21.2 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any Shares (a "**Proposed Transfer**") which would, if carried out, result in any person (other than a person who holds a Controlling Interest in the Company at that time or an Associate of such a person) (a "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 21.2 Before completing the Proposed Transfer, a Seller shall procure that the Buyer makes an offer (an "**Offer**") to each of the other Shareholders to buy all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or Paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer (the "**Specified Price**").
- 21.3 The Offer shall be made by Written notice (an "**Offer Notice**"), at least 20 Business Days (the "**Offer Period**") before the proposed sale date (the "**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 21.3.1 the identity of the Buyer;
 - 21.3.2 the purchase price and other terms and conditions of payment;
 - 21.3.3 the proposed date of the transfer; and
 - 21.3.4 the number of Shares proposed to be purchased by the Buyer from each such Shareholder (the "**Offer Shares**").
- 21.4 If the Buyer fails to make the Offer to all holders of Shares in the Company then, **except** where Article 22.7 applies, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer intended to effect the Proposed Transfer.
- 21.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be

conditional on completion of the purchase of all the Offer Shares held by all Accepting Shareholders.

22. DRAG ALONG

- 22.1 If, with the approval of the Board, Holders of 50 per cent or more of the Ordinary Shares in issue for the time being (with Founder Majority Consent) (the **"Selling Shareholders"**) wish to transfer all of their interest in Shares (the **"Sellers' Shares"**) to a bona fide arm's length purchaser (the **"Proposed Buyer"**), the Selling Shareholders have the option to require all the other Holders of Shares (the **"Called Shareholders"**) to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (the **"Drag Along Option"**).
- 22.2 The Selling Shareholders may exercise the Drag Along Option by giving Written notice to that effect (a **"Drag Along Notice"**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify that:
 - 22.2.1 the Called Shareholders are required to transfer all their Shares (the **"Called Shares"**) pursuant to this Article 22;
 - 22.2.2 the person to whom the Called Shares are to be transferred;
 - 22.2.3 the consideration payable for the Called Shares calculated in accordance with Article 22.3; and
 - 22.2.4 the proposed date of the transfer.
- 22.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22.4 The Called Shareholders shall sell each Called Share for a consideration in cash per Share that is at least equal to the highest price per Share offered or Paid by the Proposed Buyer, or any person Acting in Concert with the Proposed Buyer, to the Selling Shareholders for the Sellers' Shares or in any related previous transaction in the six months preceding the date of the Drag Along Notice but taking into account the distribution of the Proceeds of Sale set out in Article 7.
- 22.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 22.
- 22.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 22.7 Provided that the Proposed Buyer is ready, willing and able to complete the sale of the Called Shares on the completion date determined in accordance with Article 22.6, the requirement for a mandatory offer under Article 20 shall

not apply to any transfer of Shares to a Proposed Buyer (or as they may direct) pursuant to a sale for which a Drag Along Notice has been duly served.

- 22.8 On the completion date determined in accordance with Article 22.6, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company and, against delivery of such documents, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 22.3 to the extent that the *Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 22.3 in trust for the Called Shareholders without any obligation to pay interest.*
- 22.9 To the extent that the Proposed Buyer has not, on the completion date determined in accordance with Article 22.6, put the Company in funds to pay the consideration due pursuant to Article 22.3, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further obligations under this Article 22 in respect of their Shares.
- 22.10 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders *to be their agent to execute all necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such Holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the Holder thereof. After the Proposed Buyer (or their nominee) has been registered as the Holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 22.*
- 22.11 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares or on 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. The New Shareholder shall then be bound to sell and transfer all Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 22 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.*

23. LEAVERS

- 23.1 Except where the Board determines that this Article 23 will not apply (or will only apply to a certain extent on terms determined by the Board) if any Relevant Executive ceases to be a Relevant Executive, or gives or receives notice of termination of employment or engagement with any Group Company so that they are no longer employed or engaged by any Group Company ("**Leaver**"), the Board (with Investor Majority Consent) may at any time during such notice period of the Leaver or within the 12-month period following such cessation of

employment or engagement by written notice to the Leaver ("**Sale Notice**"), notify the Leaver that the Leaver is required to sell the Shares, but excluding any Preferred Shares, registered in his or her name ("**Leaver Shares**") in accordance with this Article 23.

23.2 The Sale Notice shall specify that the Leaver is required to sell the Leaver Shares to any of (at the direction of the Board with Investor Majority Consent):

23.2.1 the Founder;

23.2.2 the Company (**Buy Back Option**); or

23.2.3 in accordance with the pre-emption rights set out in Article 16, and for this purpose the Leaver shall be deemed to have served a Transfer Notice on the Company on the date specified in the Sale Notice in respect of the Leaver Shares and the provisions of Article 16 shall apply to the transfer of the Leaver Shares (which shall be deemed to be Sale Shares for the purposes of such Article) as if any reference therein to the Proposing Transferor is to such Leaver except that:

- (a) the Leaver shall not be entitled in any circumstances to withdraw any Transfer Notice; and
- (b) the Price shall be the Leaver Price determined in accordance with Article 23.3 and all references in Article 16 to 'Price' shall be to the Leaver Price.

23.3 The Board (with Investor Majority Consent) may agree the Leaver Price with the Leaver for the Leaver Shares but if they fail to agree the Leaver Price within 15 Business Days of the date of a Sale Notice, the Leaver Price shall:

23.3.1 if the Leaver is a Bad Leaver, the higher of:

- (a) the original subscription or acquisition price paid for the Leaver Shares by the Leaver (or Fair Value if Fair Value is lower); or
- (b) an amount equal to the income tax and national insurance contributions (if any) actually paid by the Leaver (provided that the Company did not in effect meet the cost of such income tax and national insurance contributions) in respect of the issue or transfer of the Leaver Shares to him; or
- (c) the nominal (par) value of the Leaver Shares; or

23.3.2 if the Leaver is a Good Leaver (and the Leaver may be a Good Leaver in relation to only some of the Leaver Shares in accordance with Article 23.5.2(a)(A)), the higher of:

- (a) the original subscription or acquisition price paid for the Leaver Shares by the Leaver; or
- (b) an amount equal to the income tax and national insurance contributions (if any) actually paid by the Leaver (provided that the Company did not in effect meet the cost of such income tax and

national insurance contributions) in respect of the issue or transfer of the Leaver Shares to him; or

- (c) Fair Value of the Leaver Shares.

23.4 If the Buy Back Option is exercised:

23.4.1 the Board shall, where required by the Companies Act or these Articles, convene a general meeting of the Shareholders as soon as reasonably practicable before or after serving the Sale Notice or circulate a written resolution to approve the purchase of all (but not some only) of the Leaver Shares at the Leaver Price provided that the Company complies with its obligations under the Companies Act to finance the purchase either from distributable profits or through a fresh issue of Shares or as otherwise permitted by the Act (including a purchase of own shares with cash in accordance with section 692(1)(b) of the Companies Act);

23.4.2 the Board shall notify the Leaver once approval of the Shareholders has been obtained to the Buy Back Option, and the Leaver shall be bound on fulfilment of any agreed terms (if any) to transfer the Leaver Shares to the Company with full title guarantee and within the time specified in such notice given by the Company. The Leaver shall deliver within such specified time:

- (a) a stock transfer form duly executed by the Leaver (if required by the Directors);
- (b) a share buy-back agreement in a form approved by the Board ("**Buy Back Agreement**") duly executed by the Leaver;
- (c) all share certificates in respect of the Leaver Shares (or an indemnity for lost or destroyed certificates in a form acceptable to the Board);

23.4.3 subject to the Leaver complying with his obligations in Article 23.4.2, the Company shall pay the Leaver Price to the Leaver in accordance with the terms of the Buy Back Agreement.

23.5 For the purposes of these Articles:

23.5.1 **Bad Leaver** means a Leaver who is not a Good Leaver;

23.5.2 **Good Leaver** means a Leaver:

- (a) who becomes a Leaver by reason of:
 - (A) voluntary resignation (excluding for reasons set out in (C) and (D) below) but only in relation to Leaver Shares that have been held by the Leaver for at least three years and provided that:
 - 1. the Leaver was not in the reasonable opinion of the Board in breach of his employment or consultancy

contract with the relevant company in the Group prior to such resignation; and

2. in relation to Leaver Shares that have been held for at least three years, if the Leaver has not held such Leaver Shares for at least five years, the Leaver will be a Good Leaver only in relation to 50 per cent of the Leaver Shares that have been held for at least three years and will be deemed to be a Bad Leaver in relation to all other Leaver Shares;

- (B) death;
- (C) permanent disability or incapacity through ill-health;
- (D) retirement at normal retirement age;
- (E) dismissal by a Group Company which is determined, by an employment tribunal or at a court of competent jurisdiction, to be wrongful or constructive or unfair (except to the extent that the dismissal was unfair due only to procedural defects);
- (F) redundancy;

- (b) who is categorised as a Good Leaver at the entire discretion of the Board;

23.5.3 **Leaver Price** means the price payable for the Leaver Shares as determined under Article 23.3.

- 23.6 The voting rights attached to any Leaver Share in respect of which a Sale Notice is given pursuant to Article 23.1 shall forthwith be suspended until such time as the relevant Shares have been transferred in accordance with these Articles.

24. **DIRECTORS' POWERS AND RESPONSIBILITIES**

24.1 **Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

24.2 **Shareholders' reserve power**

- 24.2.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.

- 24.2.2 No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

24.3 **Directors may delegate**

- 24.3.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

24.3.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

24.3.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

24.4 Committees

24.4.1 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.

24.4.2 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.

25. RECORDS AND RULES – DIRECTORS' DECISIONS

25.1 Records of decisions to be kept

The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

25.2 Directors' discretion to make further rules

Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

26. APPOINTMENT AND REMOVAL OF DIRECTORS

26.1 Number of Directors

Unless and until the Company by Ordinary Resolution determines otherwise, there shall be no minimum number of Directors and the maximum number of Directors shall be five.

26.2 Director Appointments

- 26.2.1 The Founder shall be entitled to be appointed, or to appoint, one director to the Board ("**Founder Director**") whilst he is a Shareholder or has transferred Shares to a Permitted Transferee.
- 26.2.2 The Holders of more than 50 per cent of the Preferred Shares shall be entitled to appoint and remove one director to the Board ("**Preferred Director**").
- 26.2.3 The Holders of more than 50 per cent of the Ordinary Shares shall be entitled to appoint and remove two directors to the Board ("**Shareholder Directors**").
- 26.2.4 The Board (with the consent or vote of the Preferred Director) is entitled to appoint and remove one independent director to the Board ("**Independent Director**").

26.3 Procedure for appointment and removal of a Founder Director, Preferred Director and Shareholder Director

- 26.3.1 Any appointment or removal of a Founder Director, Preferred Director or a Shareholder Director shall be undertaken as follows:
 - (a) in the case of a Founder Director, by a written direction signed by the Founder;
 - (b) in the case of the Preferred Shareholder, by a written direction signed by the Holders of more than 50 per cent of the Preferred Shares;
 - (c) in the case of a Shareholder Director, by a written direction signed by the Holders of more than 50 per cent of the Ordinary Shares; and
 - (d) any appointment or removal pursuant to this Article shall take effect upon delivery of the direction to the registered office of the Company.

26.4 Methods of appointing additional Directors

- 26.4.1 Subject to Article 26.1, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:
 - (a) by Ordinary Resolution, or
 - (b) by a decision of the Directors.
- 26.4.2 In any case where, as a result of death, the Company has no Shareholders and no Directors, the personal representatives of the last Shareholder to have died have the right, by notice in Writing, to appoint a person to be a Director.
- 26.4.3 For the purposes of paragraph 26.4.2, where two or more Shareholders die in circumstances rendering it uncertain who was

the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

26.5 Termination of Directors' appointment

A person ceases to be a Director as soon as:

- 26.5.1 that person ceases to be a Director by virtue of any provision of the Companies Act or is prohibited from being a Director by law;
- 26.5.2 a bankruptcy order is made against that person;
- 26.5.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 26.5.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- 26.5.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 26.5.6 notification is received by the Company from the Director that the Director is resigning from office as Director, and such resignation has taken effect in accordance with its terms;
- 26.5.7 he shall for more than six consecutive months have been absent *without permission of the Directors from meetings of Directors held during that period* (and his alternate Director (if any) has not during such period attended in his place) and the Directors resolve that his office be vacated;
- 26.5.8 he is convicted of a criminal offence (other than a motoring offence not involving a term of imprisonment) and the Directors resolve that his office should be vacated;
- 26.5.9 in accordance with Article 26.3; or
- 26.5.10 other than a Founder Director, Preferred Director or a Shareholder Director, he is removed from office under section 168 of the Companies Act.

26.6 Directors' remuneration

- 26.6.1 Directors may undertake any services for the Company that the Directors decide.
- 26.6.2 Directors are entitled to such remuneration as the Directors determine
 - (a) for their services to the Company as Directors, and

- (b) for any other service which they undertake for the Company.

26.6.3 Subject to the Articles, a Director's remuneration may

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

26.6.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

26.6.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

26.7 **Directors' expenses**

26.7.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or
- (c) separate meetings of the Holders of any class of Shares or of debentures of the Company,
- (d) or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

27. **ALTERNATE DIRECTORS**

27.1 **Appointment and removal of alternates**

27.1.1 Any Director (the "**Appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

- (a) exercise that Director's powers, and
- (b) carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

27.1.2 Any appointment or removal of an alternate must be effected by notice in Writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

27.1.3 The notice must:

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

27.2 Rights and responsibilities of alternate Directors

27.2.1 An alternate Director may act as alternate Director to more than one Director and has the same rights, in relation to any decision of the Directors, as the alternate's Appointor.

27.2.2 Alternate Directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors

and in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.

27.2.3 A person who is an alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating);
- (b) may participate in a unanimous decision of the Directors (but only if his Appointor is eligible to vote in relation to that decision but does not participate); and
- (c) shall not be counted as more than one Director for the purposes of Articles 27.2.3(a) and 27.2.3(b).

27.2.4 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is eligible to vote in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.

27.2.5 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in Writing made to the Company.

27.3 Termination of alternate Directorship

An alternate Director's appointment as an alternate terminates:

- 27.3.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 27.3.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- 27.3.3 on the death of the alternate's Appointor; or
- 27.3.4 when the alternate's Appointor's appointment as a Director terminates.

28. DECISION-MAKING BY DIRECTORS

28.1 Directors to take decisions collectively

- 28.1.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 28.2.
- 28.1.2 If:
 - (a) the Company only has one Director, and
 - (b) no provision of the Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making, including those set out in Article 28.5.

28.2 Unanimous decisions

- 28.2.1 A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter.
- 28.2.2 Such a decision may take the form of a resolution in Writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in Writing.
- 28.2.3 References in this Article to "eligible Directors" are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.
- 28.2.4 A decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such a meeting.

28.3 Calling a Directors' meeting

- 28.3.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.
- 28.3.2 Notice of any Directors' meeting must indicate:
- (a) its proposed date and time;
 - (b) where it is to take place; and
 - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 28.3.3 Notice of a Directors' meeting must be given to each Director, but need not be in Writing.
- 28.3.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

28.4 Participation in Directors' meetings

- 28.4.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 28.4.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 28.4.3 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.

28.5 Quorum for Directors' meetings

- 28.5.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 28.5.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two.

28.5.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

- (a) to appoint further Directors, or
- (b) to call a general meeting so as to enable the Shareholders to appoint further Directors.

28.6 Chairing of Directors' meetings

28.6.1 The Directors may appoint a Director to chair their meetings.

28.6.2 The person so appointed for the time being is known as the "Chairman".

28.6.3 The Directors may terminate the Chairman's appointment at any time.

28.6.4 If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

28.7 Casting vote

28.7.1 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting shall not have a casting vote.

28.7.2 Article 28.7.1 does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

29. CONFLICTS OF INTEREST OF DIRECTORS

29.1 Subject to the provisions of the Companies Act and provided that he has previously disclosed the nature and extent of such duty or interest to the Directors in accordance with the provisions of the Companies Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

29.1.1 may vote at a Board meeting (or any committee of the Directors), and form part of a quorum present at that meeting, or participate in any decision making of the Directors in relation to such transaction or arrangement with the Company;

29.1.2 may be a party to, or otherwise interested in, any such transaction or arrangement; and

29.1.3 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest nor shall the receipt of any

remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

- 29.2 For the purposes of section 175 of the Companies Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 29.3 Authorisation of a matter under Article 29.2 shall be effective only if:
- 29.3.1 *the matter in question shall have been proposed in writing for consideration at a meeting of the Directors or in accordance with the Board's normal procedures or in such other manner as the Directors may approve;*
 - 29.3.2 *any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors") save that if there are only two Directors holding office, the quorum for that part of the meeting dealing with the matter is to be authorised under Article 29.2, shall be any Director who is not interested in the matter and Article 28.5.2 shall be amended accordingly;*
 - 29.3.3 *the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted; and*
 - 29.3.4 *in taking the decision, the Directors act in a way they consider, in good faith, will be most likely to promote the Company's success.*
- 29.4 Any authorisation of a matter pursuant to Article 29.2 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 29.5 Any authorisation of a matter under Article 29.2 shall be subject to such conditions or limitations as the Directors (excluding the Interested Directors) may determine, whether at the time such authorisation is given or subsequently, and may be varied or terminated by the Directors (excluding the Interested Directors) at any time. Such conditions or limitations may include (without limitation):
- 29.5.1 *(without prejudice to a Director's general obligations of confidentiality) the application to the interested Director of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the matter;*
 - 29.5.2 *the exclusion of the interested Director from all information relating to, and discussion by the Company of, the matter; and*
 - 29.5.3 *that, where the interested Director obtains (other than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in*

circumstances where to do so would amount to a breach of that confidence.

- 29.6 A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 29.7 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under Article 29.2 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 29.8 Subject to compliance by him with his duties as a Director under Part 10 of the Companies Act (other than the duty in section 175(1) of the Companies Act which is the subject of this Article 29.8), a Director (including the chairman of the Board (if any) and any other non-executive Director) may, at any time:
- 29.8.1 be an officer of, employed by, or hold Shares or other securities (whether directly or indirectly) in, the Company; or
- 29.8.2 be a Director or other officer of, employed by or hold Shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in any other Group Company,

(in either case a “**Group Company Interest**”) and notwithstanding his office or the existence of an actual or potential conflict between any Group Company Interest and the interests of the Company which would fall within the ambit of that section 175(1), the relevant Director:

- (a) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors (save that a Director may not vote on any resolution in respect of matters relating to his employment with the Company or other Group Company);
- (b) shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives in consequence of any Group Company Interest and any contract, transaction or arrangement relating to a Group Company Interest shall not be liable to be avoided on the grounds of any such benefit; and
- (c) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party.
- 29.9 Any Director who has a Group Company Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the

existence of such interest and the nature and extent of such interest so far as the relevant Director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the relevant Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 29.9 may be made either at a meeting of the Board or by notice in Writing to the Company marked for the attention of the Directors.

- 29.10 Notwithstanding the provisions of Article 29.8, the Directors (excluding the Interested Directors) may at any time impose such conditions or limitations on the authorisations given under Article 29.8 and may vary or terminate any such authorisations in respect of a particular Group Company Interest.

30. PROCEDURE AND PAYMENT OF DIVIDENDS

30.1 Procedure for declaring dividends

- 30.1.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.
- 30.1.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 30.1.3 No dividend may be declared or Paid unless it is in accordance with Shareholders' respective rights.
- 30.1.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be Paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.
- 30.1.5 If the Company's share capital is divided into different classes, no interim dividend may be Paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 30.1.6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 30.1.7 If the Directors act in good faith, they do not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

30.2 Payment of dividends and other distributions

- 30.2.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be Paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the distribution recipient either in Writing or as the Directors may otherwise decide;
- (b) sending a cheque made payable to the Distribution Recipient by post to the distribution recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in Writing or as the Directors may otherwise decide; or
- (d) any other means of payment as the Directors agree with the Distribution recipient either in Writing or by such other means as the Directors decide.

30.2.2 In the Articles, "the **Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

- (c) the Holder of the Share; or
- (d) if the Share has two or more joint Holders, whichever of them is named first in the register of members; or
- (a) if the Holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittee.

30.3 **No interest on distributions**

30.3.1 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which the Share was issued, or
- (b) the provisions of another agreement between the Holder of that Share and the Company.

30.4 **Unclaimed distributions**

30.4.1 All dividends or other sums which are:

- (a) payable in respect of Shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

30.4.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

- 30.4.3 If:
- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
 - (b) the Distribution Recipient has not claimed it,
- the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

30.5 Non-cash distributions

- 30.5.1 Subject to the terms of issue of the Share in question, the Company may, by Ordinary Resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).
- 30.5.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- (a) fixing the value of any assets;
 - (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.

30.6 Waiver of distributions

- 30.6.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in Writing to that effect, but if:
- (a) the Share has more than one Holder; or
 - (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint Holders, or otherwise,
- the notice is not effective unless it is expressed to be given, and signed, by all the Holders or persons otherwise entitled to the Share.

31. CAPITALISATION OF PROFITS

31.1 Authority to capitalise and appropriation of Capitalised Sums

- 31.1.1 Subject to the articles, the Directors may, if they are so authorised by an Ordinary Resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.
- 31.1.2 Capitalised Sums must be applied:
- (a) on behalf of the Persons Entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- 31.1.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as fully Paid to the Persons Entitled or as they may direct.
- 31.1.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully Paid to the Persons Entitled or as they may direct.
- 31.1.5 Subject to the Articles the Directors may:
- (a) apply Capitalised Sums in accordance with Articles 31.1.3 and 31.1.4 partly in one way and partly in another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - (c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article.

32. ORGANISATION OF GENERAL MEETINGS

32.1 Attendance and speaking at general meetings

- 32.1.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 32.1.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 32.1.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 32.1.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 32.1.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

32.2 Quorum for general meetings

No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

32.3 Chairing general meetings

- 32.3.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 32.3.2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the Directors present, or
 - (b) (if no Directors are present), the meeting,
- must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.
- 32.3.3 The person chairing a meeting in accordance with this Article is referred to as the "**Chairman of the Meeting**".

32.4 Attendance and speaking by Directors and non-Shareholders

- 32.4.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 32.4.2 The Chairman of the Meeting may permit other persons who are not:

- (a) Shareholders of the Company, or
 - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,
- to attend and speak at a general meeting.

32.5 **Adjournment**

- 32.5.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- 32.5.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 32.5.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 32.5.4 When adjourning a general meeting, the Chairman of the Meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 32.5.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- 32.5.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

33. VOTING AT GENERAL MEETINGS

33.1 Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

33.2 Errors and disputes

33.2.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

33.2.2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

33.3 Poll votes

33.3.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

33.3.2 A poll may be demanded by:

- (a) the Chairman of the Meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

33.3.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken, and
- (b) the Chairman of the Meeting consents to the withdrawal.

33.3.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

33.4 Content of proxy notices

33.4.1 Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice"), which:

- (a) states the name and Address of the Shareholder appointing the proxy;
- (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Shareholder appointing the proxy, or is Authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting.

- 33.4.2 In calculating any period of hours for the purpose of this Article, no account shall be taken of any day or part of a day that is not a Business Day.
- 33.4.3 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 33.4.4 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 33.4.5 Unless a Proxy Notice indicates otherwise, it must be treated as:
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

33.5 **Delivery of Proxy Notices**

- 33.5.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 33.5.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

33.5.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

33.5.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by Written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

33.6 Amendments to resolutions

33.6.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:

(a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

1.1.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:

(c) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(d) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

1.1.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

34. NAME

The Company may change its name by a decision of the Board.

35. COMMUNICATIONS

35.1 Any Document or information required or permitted to be given by or to the Company, any Shareholders and Directors under these Articles or the Companies Act, other than a notice convening a meeting of the Directors, shall, unless otherwise specified in these Articles, be in Writing and, subject to the Companies Act and any specific requirements of these Articles, may be given:

35.1.1 personally or by sending it by post or other delivery service in a prepaid envelope addressed to the recipient at its registered address, or any other Address notified to the sender for the time being for the service of Documents or information, or by leaving it at any such Address or by any other means authorised in Writing by the recipient concerned;

- 35.1.2 by sending it in Electronic Form to an Address for the time being notified to the sender by the recipient for that purpose; or
- 35.1.3 in the case of any Document or information to be given by the Company, by making it available on a website.
- 35.2 If properly addressed, a Document or information sent or supplied by the Company in accordance with Article 35.1 shall be deemed to be received:
 - 35.2.1 in the case of a Document or information delivered personally or left at the recipient's Address, when delivered or left;
 - 35.2.2 in the case of a Document or information sent by post or other delivery service, 48 hours after sending;
 - 35.2.3 in the case of a Document or information sent by Electronic Means, immediately after sending; and
 - 35.2.4 in the case of a Document or information made available on a website:
 - (a) when the Document or information was first made available on the website; or
 - (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the Document or information was made available on the website.
- 35.3 In the case of Documents or information sent or supplied by the Company, proof that an envelope containing a Document or information was properly addressed, prepaid and posted (or consigned to the relevant delivery service or, in the case of a Document or information delivered personally or left at the recipient's Address, was properly addressed and delivered personally or left at the recipient's Address) shall be conclusive evidence that the document or information was given. In the case of Documents or information sent or supplied by the Company, proof that a Document or information contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the Document or information was given.
- 35.4 A Document or information sent in Electronic Form shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
- 35.5 Where a Document or information is sent or supplied to the Company it must be Authenticated. Where a Document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
- 35.6 In the case of joint Holders of a Share, all Documents or information required to be given by the Company may be given either to each of the joint holders or to the joint Holder whose name stands first in the register of Shareholders in respect of the joint holding and Documents or information so given shall be sufficiently given to all the joint holders.

- 35.7 A Shareholder whose registered address is not within the United Kingdom and who gives to the Company an Address within the United Kingdom at which Documents or information may be given to him or an Address to which Documents or information may be given to him in Electronic Form shall be entitled to have Documents or information given to him at such Address but otherwise, subject to the Companies Act, no such Shareholder shall be entitled to receive any Document or information from the Company.
- 35.8 A Shareholder present, either in person or by proxy or (being a corporation) by a duly authorised representative, at any meeting of the Company or of the Holders of any class of Shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

36. COMPANY SEALS

- 36.1 Any common seal may only be used by the authority of the Directors.
- 36.2 The Directors may decide by what means and in what form any common seal is to be used.
- 36.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a Document, the Document must also be signed by at least *one authorised person in the presence of a witness who attests the signature.*
- 36.4 For the purposes of this Article, an authorised person is:
- 36.4.1 any Director of the Company;
 - 36.4.2 the Company secretary (if any); or
 - 36.4.3 any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

37. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company or any Shareholders' Agreement, no person is entitled to inspect any of the Company's accounting or other records or Documents merely by virtue of being a Shareholder.

38. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

39. INDEMNITY AND INSURANCE

- 39.1 Subject to Article 39.2, but without prejudice to any indemnity to which they may otherwise be entitled, each relevant director shall be indemnified out of the Company's assets against:
- 39.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
 - 39.1.2 any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act; and
 - 39.1.3 any other liability incurred by that Director as an officer of the Company or an associated company.
- 39.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.
- 39.3 Subject to the provisions of, and so far as may be permitted by, the Companies Act, the Company shall be entitled to fund by way of loan (or make arrangements for him to avoid incurring) the expenditure of every relevant director incurred or to be incurred in defending any criminal or civil proceedings or any investigation or other action proposed to be taken by a regulatory authority or in connection with any application for relief.
- 39.4 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.
- 39.5 In this Article:
- 39.5.1 companies are associated if one is a Subsidiary of the other or both are subsidiaries of the same body corporate;
 - 39.5.2 a "relevant director" means any director or former director of the Company or an associated company; and
 - 39.5.3 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

40. LIEN

- 40.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

40.2 The Company's Lien over a Share:

- 40.2.1 shall take priority over any third party's interest in that Share; and
- 40.2.2 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.

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.

40.3 Subject to the provisions of this Article 40, if:

- 40.3.1 a notice complying with Article 40.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
- 40.3.2 the person to whom the notice was given has failed to comply with it,

the Company shall be entitled to sell that Share in such manner as the Directors decide.

40.4 A Lien Enforcement Notice:

- 40.4.1 may only be given by the Company 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;
- 40.4.2 must specify the Share concerned;
- 40.4.3 must require payment of the sum payable within 14 days of the notice;
- 40.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- 40.4.5 must state the Company's intention to sell the Share if the notice is not complied with.

40.5 Where any Share is sold pursuant to this Article 40:

- 40.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- 40.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

40.6 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:

- 40.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;

40.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

40.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

40.7.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

40.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

41. **CALL NOTICES**

41.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

41.2 A Call Notice:

41.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);

41.2.2 shall state when and how any call to which it relates it is to be paid; and

41.2.3 may permit or require the call to be paid by instalments.

41.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.

41.4 Before the Company has received any call due under a Call Notice the Directors may:

41.4.1 revoke it wholly or in part; or

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

- 41.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 41.6 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 to:
- 41.6.1 pay calls which are not the same; or
- 41.6.2 pay calls at different times.
- 41.7 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 (whether in respect of nominal value or premium):
- 41.7.1 on allotment;
- 41.7.2 on the occurrence of a particular event; or
- 41.7.3 on a date fixed by or in accordance with the terms of issue.
- 41.8 If the due date for payment of such a sum as referred to in Article 0 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 41.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- 41.9.1 the Directors may issue a notice of intended forfeiture to that person; and
- 41.9.2 until the call is paid, that person shall be required to pay the Company interest on the call from the call payment date at the Relevant Rate (as defined below).
- 41.10 For the purposes of Article 41:
- 41.10.1 the "**Call Payment Date**" shall be 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;
- 41.10.2 the "**Relevant Rate**" shall be:
1. the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 2. 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
 3. if no rate is fixed in either of these ways, five per cent. a year,

provided that the Relevant Rate shall not exceed by more than five 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(a).

41.11 The Directors may waive any obligation to pay interest on a call wholly or in part.

41.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

42. FORFEITURE OF SHARES

42.1 A notice of intended forfeiture:

42.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice;

42.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

42.1.3 shall 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 fewer than 14 days after the date of the notice;

42.1.4 shall state how the payment is to be made; and

42.1.5 shall 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.

42.2 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, then 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.

42.3 Subject to these Articles, the forfeiture of a Share extinguishes:

42.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and

42.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

42.4 Any Share which is forfeited in accordance with these Articles:

42.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;

42.4.2 shall be deemed to be the property of the Company; and

42.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.

- 42.5 If a person's Shares have been forfeited then:
- 42.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
 - 42.5.2 that person shall cease to be a Shareholder in respect of those Shares;
 - 42.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 42.5.4 that person shall remain 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
 - 42.5.5 the Directors shall be entitled to 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.
- 42.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 42.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 42.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- 42.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 42.8.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 42.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 42.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- 42.10.1 was, or would have become, payable; and
 - 42.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

43. SURRENDER OF SHARES

43.1 A Shareholder shall be entitled to surrender any Share:

43.1.1 in respect of which the Directors issue a notice of intended forfeiture;

43.1.2 which the Directors forfeit; or

43.1.3 which has been forfeited.

43.2 The Directors shall be entitled to accept the surrender of any such Share.

43.3 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

43.4 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.