

# Written Resolutions of Emma Technologies Limited

**Company Number 10578464**  
**(the "Company")**

Pursuant to Part 13, Section 2 of the Companies Act 2006, the undersigned being the eligible members (as such term is defined in Section 289 of the Companies Act) hereby approve the following written resolution as an Ordinary and Special Resolution of the Company and agree that the said resolution shall for all purposes be valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

## **ORDINARY RESOLUTION**

### **1 Authority to Allot**

THAT in accordance with section 551 of the Companies Act 2006, the directors of the Company be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £63.54 provided that this authority shall, unless renewed, varied or revoked by the Company, expire five years from the passing of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares, or adoption of any share option pool, or grant of Rights already made or offered or agreed to be made pursuant to such authorities.

## **SPECIAL RESOLUTIONS**

### **2 New Articles of Association**

THURSDAY



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COMPANIES HOUSE

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

### **3 Dis-application of Preemption Rights**

THAT, subject to the passing of the Authority to Allot resolution above, and in accordance with section 570 of the Companies Act 2006 the directors of the Company be generally empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) pursuant to the authority conferred by the Authority to Allot above and as if section 561(1) of the Companies Act 2006 and the preemption rights in the newly adopted articles of association in resolution 2 above did not apply to any such allotment, provided that this power shall:

- (a) be limited to the allotment of equity securities up to an aggregate nominal value of £63.54
- (b) varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

### **AGREEMENT**

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

The undersigned, a person entitled to vote on the above resolutions, hereby irrevocably agrees to the above resolutions.

These resolutions are dated 11 December 2019

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for and on behalf of Aglaé Ventures

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for and on behalf of Borner Capital GmbH

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for and on behalf of Kima Ventures II SAS

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for and on behalf of Kobe Invest

.....  
for and on behalf of Lise Invest

.....  
for and on behalf of O.oster Beteiligungs  
GmbH Limited

.....  
for and on behalf of RGD Conseils

DocuSigned by  
*Antonio Marino*  
E171AF2355AE462

Antonio Marino

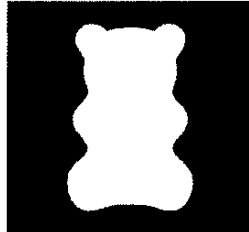
DocuSigned by  
*Edoardo Moreni*  
C52118A26A0A4D7

Edoardo Moreni

Luca Ascani

## NOTES

- 1 You can choose to agree to all of the resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following delivery methods:
  - **Electronically:** by logging into your SeedLegals portal and electronically signing this document.
  - **Email:** by emailing a signed copy to the Company CEO. Please write "Signed written resolutions" as the email subject.
  - **By hand:** returning the signed copy to the CEO, Emma Technologies, PO Box GU18 5YS, 6 The Orchard, Lightwater, Surrey, GU18 5YS, United Kingdom.
- 2 If you do not agree to all of the resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.
- 3 Once you have indicated your agreement to the resolutions, you may not revoke your agreement.
- 4 Unless within 28 days of the above date, sufficient agreement is received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or during this date.
- 5 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 6 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.



# **Emma Technologies Limited**

## **Articles of Association**

**(adopted by a special resolution passed on 11 December 2019)**

**Private Company Limited By Shares  
Company No: 10578464**

**Incorporated in England and Wales  
on 23 January 2017 under the  
Companies Act 2006**

## 1 INTRODUCTION

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following articles (the "**Articles**").
- 1.2 Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) ("**Table A**") shall not apply to the Company.
- 1.3 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.4 In these Articles:
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
  - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
  - (c) Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
  - (d) reference to "**issued Shares**" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
  - (e) reference to the "**holders**" of Shares or of a class of Shares shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.
- 1.5 Where there is reference to Preference Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as-converted basis if the Conversion Rate has been adjusted.
- 1.6 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of the Investor Director under these Articles, if at any time the Investor Director has not been appointed or the Investor Director declares in writing to the Company and the Lead Investor that he considers that providing such consent gives rise or may give rise to a conflict of interest to his duties as a Director, such action or matter shall require the consent of the Lead Investor.

## 2 DEFINITIONS

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

"**A Preferred Shareholders**" means the holders from time to time of A Preferred Shares;

"**A Preferred Shares**" means a class of preference shares with voting and dividend rights and of £0.001 nominal value each in the capital of the Company and having the rights described in these Articles;

"**Act**" means the Companies Act 2006 (as amended from time to time);

"**Acting in Concert**" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

**"Adjustment Event"** 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 any repurchase or redemption of shares (other than Preference Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company, in each case as determined by the Board with Investor Director Consent;

**"AIM Rules"** means the rules published by London Stock Exchange plc governing the admission to, and operation of the AIM Market, as amended from time to time;

**"Arrears"** means in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that Share;

**"Asset Sale"** means the disposal by the Company of all or substantially all of its undertaking and assets to any party, where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business;

**"Associate"** in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 (whether or not an associate as so determined);
- (b) any Member of the same Group; and
- (c) any Member of the same Fund Group;

**"Auditors"** means the auditors or accountants (as applicable) of the Company from time to time;

**"Available Profits"** means profits available for distribution within the meaning of part 23 of the Act;

**"B Ordinary (Non-Voting) Shareholders"** means the holders from time to time of B Ordinary (Non-Voting) Shares;

**"B Ordinary (Non-Voting) Shares"** means a class of ordinary shares with no voting rights but with dividend rights and with no right of transfer and of £0.001 nominal value each in the capital of the Company and having the rights described in these Articles;

**"Bad Leaver"** means a Founder who becomes a Leaver at any time during the Relevant Period as a consequence of:

- (a) circumstances warranting his summary dismissal as an Employee;
- (b) gross negligence, wilful or gross misconduct of the Founder;
- (c) the Founder committing any serious or repeated breach or non-observance of any of the Subscription and Shareholders Agreement, the Articles, the provisions of his service agreement, consultancy or management agreement or he refuses or neglects to comply with any reasonable and lawful directions of the Company or any member of the Group;
- (d) the Founder's conviction of any criminal offence (other than an offence under any road traffic legislation in the United Kingdom or elsewhere for which a fine or non-custodial penalty is imposed) or any offence under any regulation or legislation relating to insider dealing;
- (e) the Founder being guilty of any fraud or dishonesty or acting in any manner which, in the reasonable opinion of the Company, brings or is likely to bring the Founder, the Company or any member of the Group into disrepute or is materially adverse to the interests of the Company or any member of the Group; or
- (f) the Founder's voluntary resignation as an Employee, following which, within twelve months of him becoming a Leaver, he becomes involved, engaged or interested, directly or indirectly in any capacity whatsoever, in any person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or any member of the Group,

provided that the Board (excluding the relevant Founder) may, with Investor Director Consent, resolve that a Bad Leaver shall be treated as a Good Leaver in respect of some or all of his Founder Shares;

**"Board"** means the board of Directors and any committee of the Board constituted for the purpose of taking any action or decision contemplated by these Articles;

**"Business"** means a mobile application that helps people manage and control their money;

**"Business Day"** means a day other than a Saturday, Sunday or public holiday in England and Wales;

**"Civil Partner"** means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

**"Company"** means Emma Technologies Limited, a company incorporated in England and Wales with company registration number 10578464 and registered office at PO Box GU18 5YS, 6 The Orchard, Lightwater, Surrey, GU18 5YS, United Kingdom;

**"Company's Lien"** has the meaning given in Article 47.1;

**"Confidential Information"** means any information or know-how of a secret or confidential nature relating to any Group Company or of any Shareholder, including without limitation:

- (a) any information regarding the Subscription and Shareholders Agreement and the investment by the Investors in the Company;
- (b) any financial information or trading information relating to any Group Company or any Shareholder which a Shareholder may receive or obtain as a result of entering into the Subscription and Shareholders Agreement;
- (c) in the case of each Group Company, information concerning:
  - (i) its finances and financial data, business transactions, dealings and affairs and prospective business transactions;
  - (ii) any operational model, its business plans and sales and marketing information, plans and strategies;
  - (iii) its customers, including without limitation, customer lists, customer identities and contact details and customer requirements;
  - (iv) any existing and planned product lines, services, price lists and pricing structures (including without limitation, discounts, special prices or special contract terms offered to or agreed with customers);
  - (v) its technology or methodology associated with concepts, products and services including research activities and the techniques and processes used for the development of concepts, products and services;
  - (vi) its computer systems, source codes and software, including without limitation, software and technical information necessary for the development, maintenance or operation of websites;
  - (vii) its current and prospective intellectual property;
  - (viii) its directors, officers, employees and shareholders (including, without limitation, salaries, bonuses, commissions, and the terms on which such individuals are employed or engaged and decisions or contents of Board meetings);
  - (ix) its suppliers, licensors, licensees, agents, distributors or contractors (**"Professional Contacts"**), both current and during the previous two years, including the identity of such Professional Contacts and the terms on which they do business, or participate in any form of commercial co-operations with any Group Company,



- (x) information concerning or provided to third parties, in respect of which any Group Company owes a duty of confidence (in particular but without limitation, the content of discussions or communications with any prospective customers or prospective business partners);
- (xi) any other information which it may reasonably be expected would be regarded by a company as confidential or commercially sensitive,

provided that Confidential Information shall not include any information which:

- (i) is, or becomes (other than through a breach of the Subscription and Shareholders Agreement or through the wrongful disclosure of any Shareholder), available in the public domain or otherwise available to the public generally without requiring a significant expenditure of labour, skill or money;
- (ii) is, at the time of disclosure, already known to the receiving Shareholder without restriction on disclosure;
- (iii) is, or subsequently comes, into the possession of the receiving Shareholder without violation of any obligation of confidentiality;
- (iv) is independently developed by the receiving Shareholder without breach of these Articles;
- (v) is explicitly approved for release by the written consent of an authorised representative of the disclosing Shareholder; or
- (vi) a Shareholder is required to disclose by law, by any securities exchange on which such Shareholder's securities are listed or traded, by any regulatory or governmental or other authority with relevant powers to which such Shareholder is subject or submits, whether or not the requirement has the force of law, or by any court order.

**"Conflict Situation"** means a situation where a Conflicted Director has a conflict of interest which for the avoidance of doubt includes a conflict of interest and duty and a conflict of duties;

**"Conflicted Director"** means a Director, including any shadow Director, who has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) as described in Article 34.1;

**"Controlling Interest"** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

**"Conversion Date"** has the meaning given in Article 9.5;

**"Conversion Rate"** has the meaning given in Article 9.6,

**"CTA 2010"** means the Corporation Tax Act 2010,

**"Data Protection Laws"** means the General Data Protection Regulation (EU) 2016/679 (the "GDPR") and all other mandatory laws and regulations of the European Union, the EEA and their member states and the United Kingdom, which are applicable to the parties' processing of personal data under these Articles;

**"Date of Adoption"** means the date on which these Articles were adopted;

**"Deferred Conversion Date"** means the date that the Founder Shares convert into Deferred Shares pursuant to Article 18;

**"Deferred Shares"** means deferred shares of £0.001 each in the capital of the Company from time to time;

**"Director(s)"** means a Director or Directors of the Company from time to time;

**"Effective Termination Date"** means the date on which the Employee gives or is deemed to have given or received notice to terminate their employment or consultancy;

**"EIS"** means, in respect of Shares, Shares that are eligible for EIS Relief but not for SEIS Relief, subject to

HMRC approval;

**"EIS Provisions"** means the provisions of Part 5 of the Income Tax Act 2007 and relating to the Enterprise Investment Scheme;

**"EIS Relief"** means the tax relief available to Investors under the EIS Provisions;

**"electronic address"** has the same meaning as in section 333 of the Act;

**"electronic form"** and **"electronic means"** have the same meaning as in section 1168 of the Act;

**"Eligible Director"** means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

**"Eligible Shareholder"** means a Shareholder who would be entitled to vote on a matter had it been proposed as a written resolution or as a resolution at a meeting of the Shareholders;

**"Employee"** means an individual (including, without limitation, each Founder) who is employed by or who provides consultancy services to a Group Company (but, for the avoidance of doubt, excluding any person who is a Director of the Company but not also an employee of a Group Company);

**"Encumbrance"** means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of preemption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

**"Equity Securities"** has the meaning given in sections 560(1) to (3) inclusive of the 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"** means the Shares other than the Deferred Shares;

**"Expert Valuer"** is as determined in accordance with Article 16.1(a);

**"Fair Value"** is as determined in accordance with Article 16.3;

**"Family Trusts"** means as regards any particular individual Shareholder or deceased or former individual Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

**"Financial Year"** means an accounting reference period (as defined by Part 15 Chapter 3 of the Act) of the Company;

**"Founder"** means each of Antonio Marino and Edoardo Moreni, together the **"Founders"**;

**"Founder Director"** means a person appointed as Director by any of the Founders under Article 26;

**"Founder Shares"** means (in each case, as adjusted upon a Reorganisation if applicable) 75% of the Equity Shares held by:

- (a) the Founder in question; and
- (b) any Permitted Transferee of that Founder, other than those Shares held that the Board (excluding the Founder in question), with Investor Director Consent, declares itself satisfied i) were not acquired directly or indirectly from the Founder and ii) were not acquired by reason of that person's relationship with the Founder;

**"Fractional Holders"** has the meaning given in Article 9.10,

**"Fund Manager"** means a person whose principal business is to make, manage or advise upon investments in securities;

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

**"Group"** means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

**"hard copy form"** has the same meaning as in section 1168 of the Act;

**"Institutional Investor"** means a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing;

**"Investment Fund"** means a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed or advised by a Fund Manager;

**"Investor"** means the Lead Investor and any other person who is or who becomes a party to the Subscription and Shareholders Agreement and is named therein as an "Investor" and (in each case) their Permitted Transferees;

**"Investor Director"** means a person appointed as a Director of the Company in accordance with Articles 26.2 to 27.2;

**"Investor Director Consent"** means the prior written consent of the Investor Director;

**"Investor Majority"** means the holders of at least 50% of the A Preferred Shares;

**"IPO"** means the admission of all or any of the Shares to the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange or the admission of any or all of the Shares to 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);

**"ITEPA"** means Income Tax (Earnings and Pensions) Act 2003;

**"Lead Investor"** means Connect Ventures Three LP together with its Permitted Transferees;

**"Leaver"** means a Founder who ceases to be an Employee;

**"Leaver's Percentage"** means, in relation to and for the purposes of determining the number of Founder Shares that are required (pursuant to Article 18.2) to be converted into Deferred Shares or to be transferred (as applicable) as a result of a Founder ceasing to be an Employee within the period commencing on the Date of Adoption and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 49th month after the Date of Adoption and thereafter;

**"Lien Enforcement Notice"** has the meaning given in Article 47.4;

**"Listing Rules"** means the listing rules made by the United Kingdom Listing Authority as the competent authority pursuant to Part VI of the Financial Services and Markets Act 2000 as amended from time to time and including any guidance or guidance manual issued by the United Kingdom Listing Authority from time to time relating to or connected with the listing rules;

**"Major Investor"** means any Investor holding voting Shares representing more than 2.5% of the issued voting Shares from time to time;

**"Majority Consent"** means the prior written consent of the Investor Majority,

**"Material Adverse Effect"** means an act or omission, or the occurrence of a fact, matter, event or circumstance affecting the Company giving rise to, or which is likely to give rise to, a material adverse effect on the business,

operations, assets, liabilities, financial condition or results of operations of the Company taken as whole;

**"a Member of the same Fund Group"** means if the Shareholder is an Investment Fund or other entity whose business is managed or advised by a Fund Manager or is a nominee of any such Investment Fund:

- (c) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (d) any other Investment Fund whose business is managed or advised by the same Fund Manager as manages or advises the Investment Fund which is or whose nominee is the transferor;
- (e) the Fund Manager who manages or advises the business of the Investment Fund which is or whose nominee is the transferor or any Investment Fund managed or advised by that Fund Manager;
- (f) any Parent Undertaking or Subsidiary Undertaking of the Investment Fund or of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Investment Fund or that Fund Manager; or
- (g) any trustee, nominee or custodian of such Investment Fund and vice versa;

**"a Member of the same Group"** means as regards to any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

**"New Securities"** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 9) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

**"Option Shares"** means the B Ordinary (Non-Voting) Shares resulting from the exercise of options in the option pool reserved for issuance to employees and advisors to the Company,

**"Ordinary Class Shares"** means the Shares of any class of ordinary shares be they Ordinary Shares, B Ordinary (Non-Voting) Shares or otherwise;

**"Ordinary Shares"** means a class of ordinary shares with voting and dividend rights and of £0.001 nominal value each in the capital of the Company and having the rights described in these Articles;

**"Original Shareholder"** has the meaning set out in Article 14.1;

**"Parent Undertaking"** has the meaning set out in sections 1162 of the Act;

**"Permitted Transfer"** means a transfer of Shares in accordance with Article 14;

**"Permitted Transferee"** means:

- (a) in relation to a Shareholder who is an individual, any of their Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder who is a Family Trust or its Trustees, the beneficiaries of such Family Trust;
- (c) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the same Group;
- (d) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group;
- (e) in relation to a Shareholder who is a member of a funding syndicate, another member of that syndicate;
- (f) in relation to an Investor:
  - (i) a Member of the same Group,
  - (ii) any Member of the same Fund Group, and
  - (iii) any bare nominee of the Investor;

- (g) in relation to the Lead Investor, to any Institutional Investor;
- (h) in relation to a Shareholder who is a nominee for an individual, to the beneficial owner of such Shares or to the beneficial owner's Privileged Relations, Trustees, or Qualifying Companies;

**"Preference Amount"** means a price per share equal to the amount paid up or credited as paid up (including premium) for such share, together with a sum equal to any Arrears;

**"Preference Shareholders"** means the holders from time to time of Preference Shares;

**"Preference Shares"** means the preference Shares of any class,

**"Pre-IPO Valuation"** means the result of multiplying the total number of Ordinary Class Shares in issue immediately after the IPO (but excluding any new Ordinary Class Shares issued upon the IPO) by the subscription price per share (including any premium) in respect of new Ordinary Class Shares issued at the time of the IPO;

**"Priority Rights"** means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 15.7;

**"Privileged Relation"** means, in relation to a Shareholder who is an individual member or deceased or former member, a spouse, Civil Partner, parent, sibling, child or grandchild (including step or adopted or illegitimate child and their issue);

**"Proceeds of Sale"** means the consideration payable (including any deferred and/or contingent consideration and any other consideration which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale, less any fees, costs and expenses payable in respect of such Share Sale, as approved by the Investor Director;

**"Proposed Purchaser"** means a bona fide independent third party proposed purchaser who at the relevant time has made an offer on arm's length terms,

**"Proposed Sale Date"** has the meaning given in Article 19.3;

**"Proposed Sale Notice"** has the meaning given in Article 19.3;

**"Proposed Sale Shares"** has the meaning given in Article 19.3;

**"Proposed Selling Shareholder"** means any Shareholder proposing to transfer any Shares;

**"Proposed Transfer"** has the meaning given in Article 19.1;

**"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 CTA 2010);

**"Qualifying Person"** has the meaning given in section 318(3) of the Act;

**"Realisation Price"** means the value of each Ordinary Class Share (excluding Treasury Shares) in issue immediately prior to an IPO, determined by reference to the price per share at which Ordinary Class Shares are to be offered for sale, placed or otherwise marketed pursuant to such IPO;

**"Relevant Period"** means forty-eight (48) months from the Date of Adoption;

**"Relevant Preference Investor Majority"** means, in relation to a decision that requires consent from a majority of a specific class of Preference Shares, the relevant majority of such specific class of Preference Shares being 75% of each class of Preference Shares;



- 3.4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.5 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the Directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine".
- 3.6 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.

#### 4 DIVIDENDS

- 4.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company (with Majority Consent) may determine to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if the Equity Shares constituted one class of share) pro rata to their respective holdings of Equity Shares.
- 4.3 Subject to the Act and these Articles, the Board (with Majority Consent) may determine to pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 4.5 On an IPO, if the Company has insufficient Available Profits for distribution to pay any Arrears, the Company shall, by way of special dividend and in lieu of the accrued dividends the Company is prohibited from paying, allot to each holder of Equity Shares by way of capitalisation of reserves such number of Ordinary Shares (disregarding any fraction of a share) as shall have an aggregate Realisation Price equal to the unpaid dividend.
- 4.6 If there are nil paid or partly paid Share(s), any holder of such Equity Share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such Equity Share(s) during any portion or portions of the period in respect of which a dividend is paid. In addition, the proportions of the dividends not paid to holders of not fully paid Equity Shares shall be waived by such holders and distributed to holders of Equity Shares who are fully paid up in proportion to their shareholding.
- 4.7 A capitalised sum which 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.
- 4.8 If:
- (a) a Share is subject to the Company's Lien, and
  - (b) 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 by the holder 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 and/or used to discharge any other indebtedness owing from the holder of that Share to the Company (as the Board may decide). The Company shall notify the distribution recipient in writing of:

- (i) the fact and sum of any such deduction;
- (ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
- (iii) how the money deducted has been applied.

4.9 Article 31(1) of the Model Articles shall be amended by:

- (a) the replacement of the words "either in writing or as the Directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
- (b) the replacement of the words "either in writing or by such other means as the Directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

## 5 LIQUIDATION

5.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares by the Company) the Surplus Assets of the Company remaining after payment of its liabilities (the "**Surplus Assets**") shall be applied (to the extent that the Company is lawfully permitted to do so):

- (a) First, in paying to each of the holders of A Preferred Shares, in priority to any other classes of Shares, an amount per A Preferred Share held equal to the greater of (i) the Preference Amount and (ii) such amount as it would have received in respect of each such A Preferred Share if the Surplus Assets were distributed pro rata among the holders of the Equity Shares as if the Equity Shares constituted one and the same class, provided that if there are insufficient Surplus Assets to pay such amount per A Preferred Share which is equal to the Preference Amount in respect of each such A Preferred Share, the remaining Surplus Assets shall be distributed to the A Preferred Shareholders pro rata to the amount they would have received had the Preference Amount been paid in full;
- (b) second in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares);
- (c) the balance of the Surplus Assets (if any) shall be distributed among the holders of Ordinary Class Shares pro rata to the number of Ordinary Class Shares held by them (as if such Shares constituted one and the same class of Shares).

## 6 EXIT PROVISIONS

6.1 On a Share Sale, the Proceeds of Sale shall be distributed in accordance with 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:

- (a) 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 accordance with Article 6; and
- (b) the Shareholders shall take any action required by Majority Consent to ensure that the Proceeds of Sale in their entirety are distributed in accordance with Article 5.s

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 accordance with Article 5.1.

6.2 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 accordance with Article 5 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 lawful action reasonably required by Majority Consent (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 applies.



6.3 On an IPO:

- (a) any Treasury Shares shall be cancelled;
- (b) the Company shall issue at par to each Preference Shareholder that number (if any) of Ordinary Shares credited as fully paid, which, at the offer/placing price on IPO have an aggregate value equal to any Arrears of dividend in respect of those Preference Shares;
- (c) the Company shall issue to each Preference Shareholder a number (if any) of Ordinary Shares such that the proportion which the Equity Shares held by that Shareholder bears to the issued Equity Shares following the completion of all such issues of Ordinary Shares and the conversion of all Preference Shares into Ordinary Shares (pursuant to Article 9) (if required in the IPO process by the Board and Majority Consent, at the conversion rate of one Ordinary Share for each Share held) shall be equal to the proportion that the proceeds that Shareholder would have been entitled to receive on a Share Sale on that date would bear to the valuation of the Company at that date (assuming that the valuation of the Company was equal to the Pre-IPO Valuation);
- (d) the additional Ordinary Shares shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and those additional Ordinary Shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the Shareholders shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to paragraph (c). To the extent that there is insufficient share capital to effect the said issue the Directors shall procure (so far as they are able) that the Company's share capital is increased to the extent necessary to permit the issue required and all Shareholders shall vote in favour of the necessary resolutions to effect the increase.

**7 VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS**

- 7.1 The Ordinary Shares and the Preference Shares shall confer on each holder of such 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.
- 7.2 The B ordinary (Non-Voting) Shares and the Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 7.3 Subject to Article 7.4, where Shares confer a right to vote in a general meeting, on a show of hands each holder of such voting 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 each such holder so present shall have one vote for each such Share held by them. On a proposed written resolution of the Company, each Shareholder shall have one vote for each such voting Share held by them.
- 7.4 The voting rights conferred on the Shares held by any holder of SEIS Shares or EIS Shares pursuant to Article 7.3 shall be restricted to the lower of (i) 30% of the voting rights attaching to all Shares (or such other control threshold as defined in Part 5 Chapter 2 and/or Part 5A Chapter 2 of ITA 2007) minus one vote and (ii) the proportion of votes allocated pursuant to Article 7.3.
- 7.5 No voting rights attached to a Share which is nil paid or partly paid may be exercised:
  - (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
  - (b) on any proposed written resolution,unless all of the amounts payable to the Company in respect of that Share have been paid.

**8 CONSOLIDATION OF SHARES**

- 8.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to

fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

- 8.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act, Majority Consent and these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

## 9 CONVERSION

- 9.1 Any holder of Preference Shares may at any time, by notice in writing to the Company (a "Holder Conversion Notice"), require the conversion into Ordinary Shares of all or some only of those Preference Shares held by them at any time.
- 9.2 The Relevant Preference Investor Majority of a given class of Preference Shares may at any time, by notice in writing to the Company (a "Majority Conversion Notice"), require the conversion into Ordinary Shares of all the Preference Shares of that class in issue and outstanding for the time being.
- 9.3 Those Preference Shares specified in a Holder Conversion Notice or Majority Conversion Notice (as the case may be) (the "Conversion Notice") shall convert automatically on the date such Conversion Notice is served on the Company unless the Conversion Notice states that conversion is to be effective on some later date, or when any conditions specified in the Conversion Notice have been fulfilled, in which case conversion shall take effect on that later date, or when such conditions have been fulfilled (as the case may be) (the "Conversion Date").
- 9.4 If a conversion is subject to any condition(s) specified in the Conversion Notice being fulfilled, and if such condition(s) has not been satisfied or waived by the relevant holder of Preference Shares or by the Relevant Preference Investor Majority (as the case may be) in writing by the Conversion Date, such conversion shall be deemed not to have occurred.
- 9.5 Notwithstanding the provisions of this Article 9, and subject to Majority Consent, all of the Preference Shares shall automatically convert into Ordinary Shares immediately upon the occurrence of an IPO in accordance with Articles 6.3(b). Any such conversion will only be effective immediately prior to such IPO (and "Conversion Date" shall be construed accordingly) and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred.
- 9.6 On the Conversion Date, the relevant Preference 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 Preference Share held (the "Conversion Rate") and the Ordinary Shares resulting from that conversion shall in all other respects rank *pari passu* with the existing issued Ordinary Shares.
- 9.7 Within 5 Business Days after the Conversion Date each holder of the relevant Preference Shares, shall deliver the certificate (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) in respect of the shares being converted, to the Company at its registered office for the time being.
- 9.8 The Company shall on the Conversion Date enter the holder of the relevant converted Preference 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 in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) in respect of the relevant Preference Shares in accordance with this Article 9, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Preference Shares by email and 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.

9.9 The Conversion Rate shall from time to time be adjusted in accordance with the provisions of this Article:

- (a) if Preference 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 Investor Director Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Preference Shareholder 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;
- (b) if Preference 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 Investor Director Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Preference Shareholder 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.

9.10 If any Preference Shareholder 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 Fractional Holder. For the purposes of completing any such sale of fractions, the chairperson of the Company or, failing them, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

9.11 If a doubt or dispute arises concerning an adjustment of the Conversion Rate in accordance with Article 9.9, or if so requested by a Relevant Preference Investor Majority, 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.

## 10 Deferred Shares

10.1 Subject to the Act, any Deferred Shares may be redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).

10.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
- (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares;
- (c) and/or purchase such Deferred Shares in accordance with the Act,

in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

10.3 No Deferred Share may be transferred without the prior consent of the Board.

## 11 VARIATION OF RIGHTS

11.1 Whenever the share capital of the Company is divided into different classes of Shares, the

special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75% in nominal value of the issued Shares of that class, save that the special rights attaching to the Preference Shares may only be varied or abrogated by Majority Consent.

- 11.2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not, except as provided in this Article 11, constitute a variation of the rights of those existing classes of Shares.

## 12 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PREEMPTION

- 12.1 In accordance with section 567(1) of the Act, sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 12.2 Unless otherwise agreed by Majority Consent and unless a special resolution has been approved in a general meeting or by written resolution passed in accordance with part 13 of the Act, if the Company proposes to allot any New Securities at any time those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to Major Investors who hold A Preferred Shares (the "Subscribers") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of A Preferred Shares held by them (as nearly as may be without involving fractions and on an as converted basis for the A Preferred Shares). The offer:
- (a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Subscription Period**"), give details of the number of New Securities offered to each Subscriber on a pro rata basis to the number of A Preferred Shares held by them (the "**Pro Rata Share**") and the subscription price of such New Securities.
  - (b) may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of their Pro Rata Share shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe.
- 12.3 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of A preferred Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by them).
- 12.4 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine over a period no longer than three months following the end of the Subscription Period at the same price and on the same terms as the offer to the Subscribers.
- 12.5 Subject to Articles 12.3 to 12.5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that such allotment, grant or disposal must be approved in writing by Majority Consent.
- 12.6 The provisions of Articles 12.3 to 12.6 (inclusive) shall not apply to:
- (a) an option to subscribe for B Ordinary (non-voting) Shares and the issue of Option Shares (provided the option was granted in accordance with the terms of such Share Option Plan, these Articles and the Subscription and Shareholders Agreement and such issue is otherwise approved by Investor Director Consent);
  - (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles, including (without limitation) the issue of:
    - (i) any Ordinary Shares issued upon conversion of any Shares pursuant to Article 9;

- (ii) any Ordinary Shares on an IPO pursuant to Articles 4.5 and 6.3;
    - (iii) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by Majority Consent;
    - (iv) New Securities issued as a result of an Adjustment Event, which has been approved in writing by Majority Consent; and
    - (v) the allotment and issue of the New Securities pursuant to and in accordance with the terms of the Subscription and Shareholders Agreement which can be allotted or issued without Majority Consent applying;
  - (c) Article 12.14.
- 12.7 Any New Securities offered to Shareholders under Article 12.3 may be accepted (in full or in part) and assigned by a Shareholder (a) which is an Investment Fund, to a Member of the same Fund Group, or (b) which is a member of a funding syndicate, to another member of that syndicate, or (c) which is a company, to a Member of the same Group.
- 12.8 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective employee or Director, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person, if required by the Company, has entered into a joint section 431 ITEPA election with the Company.

### 13 TRANSFERS OF SHARES - GENERAL

- 13.1 In Articles 13 to 21 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 13.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 13.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles they will be deemed immediately to have served a Transfer Notice in respect of all Shares held by them.
- 13.4 Any transfer of a Share by way of sale which is required to be made under Articles 15 to 21 inclusive will be deemed to include a warranty that the transferor sells with full title guarantee.
- 13.5 A Founder may not transfer any of their Shares prior to an IPO without Majority Consent
- 13.6 It is hereby agreed by the Shareholders that on an IPO the Shareholders will, to the extent required by the Listing Rules, the AIM Rules, or any equivalent requirements of any other recognised investment exchange (as defined in the Financial Services and Markets Act 2000):
- (a) retain such number of their Shares held at the time of the IPO for such period after IPO as is required by the Listing Rules or the rules and requirements of the relevant recognised investment exchange; and
  - (b) have regard to the recommendation of the Company's brokers on a IPO in determining their respective sale of Shares upon the Company's IPO and/or any restrictions on the sale of their Shares on or for a period following the IPO and will make such determination with a view to ensuring the success of the IPO.
- 13.7 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
  - (b) the transfer is to an Employee, Director or prospective employee or Director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
  - (c) it is a transfer of a Share:

- (i) which is not fully paid;
  - (ii) to a person of whom the Directors, acting reasonably, do not approve or believe to be in competition with the business of the Company; or
  - (iii) on which Share the Company has a lien;
- (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (f) the transfer is in respect of more than one class of Shares;
- (g) the transfer is in favour of more than four transferees; or
- (h) these Articles otherwise provide that such transfer shall not be registered.
- 13.8 If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 13.9 The Directors may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), 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 some or all of the Shareholders and the Company in any 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) and if any condition is imposed in accordance with this Article 13.9 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 13.10 To enable the Directors to determine whether or not there has been any disposal of Shares (or any interest in Shares) 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 furnish to the Company such information and evidence as the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors (acting with Majority Consent) shall immediately notify the holder of such Shares in writing of that fact and the following shall occur:
- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights:
    - (i) to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
    - (ii) to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares, but no dividend rights shall be suspended within Period B under sections 173 and 257AC ITA 2007 or any re-enactment of them which causes any Share in the Company to lose SEIS Relief or EIS Relief, and that this clause will apply in any other case; and
  - (b) the holder may be required at any time following receipt of the notice to transfer some or all of their Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.



not later than 15 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 Fund 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 give a Transfer Notice in respect of such Shares.

- 14.6 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.
- 14.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
  - (b) with the identity of the proposed trustees;
  - (c) the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
  - (d) 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.
- 14.8 If a company to which a Share has been transferred under Article 13.6 ceases to be a Qualifying Company it must within 5 Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.
- 14.9 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 they must, within 15 Business Days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the Shares held by them to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
  - (b) give a Transfer Notice to the Company in accordance with Article 15.2, failing which they shall be deemed to have given a Transfer Notice.
- 14.10 A transfer of any Shares approved by the Board and with 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.
- 14.11 On the death (subject to Article 14.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) their personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within 5 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 5 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.

## 15 TRANSFERS OF SHARES SUBJECT TO PREEMPTION RIGHTS

- 15.1 Save where the provisions of Articles 13.14 (ROFR), 14 (Permitted Transfers), 17 (Compulsory Transfers - General) or 18 (Departing Founders) apply, any transfer of Shares by a Shareholder shall be subject to the preemption rights contained in this Article 15
- 15.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:



- (a) the number and the class of Shares which they wish to transfer (the "**Sale Shares**");
- (b) if they wish to sell the Sale Shares to a third party, the name of the proposed transferee;
- (c) the price (in cash) at which they wish to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (the "**Transfer Price**"); and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares (the "**Minimum Number of Sale Shares**") being sold to Shareholders (a "**Minimum Transfer Condition**").

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board (including Investor Director Consent) and the Seller. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board (including Investor Director Consent). In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

- 15.3 The right of preemption in this Article 15 may be assigned by a Shareholder (a) which is an Investment Fund, to a Member of the same Fund Group, or (b) to a Member of the same Group, or (c) which is a member of a funding syndicate, to another member of that syndicate.

- 15.4 Except with the written consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

- 15.5 A Transfer Notice constitutes appointment of the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

- 15.6 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 16,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 15.7 and 15.8. Each offer must be in writing and give details of the number, class and Transfer Price of the Sale Shares offered.

#### **15.7 Priority Rights for offer of Sale Shares**

Subject to Article 18.1, the Sale Shares shall be offered in the following priority:

- (a) to the Major Investors who hold A Preferred Shares; and
- (b) thereafter, to the Company;

in each case on the basis set out in Article 15.8.

#### **15.8 Transfers: Offer**

- (a) The Board shall offer the Sale Shares pursuant to the Priority Rights in accordance with Article 15.7 above other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy.
- (b) If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Article 15.8 will be conditional on the fulfilment of the Minimum Transfer Condition.
- (c) If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in accordance with the Priority Rights and in the proportion (fractional entitlements being rounded to the nearest whole number) which their existing holding of the relevant class(es) of Shares bears to the total number of A Preferred Shares held by those Continuing Shareholders who have applied for Sale Shares which

procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which they have stated they are willing to buy.

- (d) If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be offered pursuant to the Priority Rights in accordance with Article 15.7 inviting them to apply in accordance with Article 15.8(a).

The process in Articles 15.8(a) to (d) inclusive shall be repeated mutatis mutandis until such time as the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares and the Board has allocated all such Sale Shares to the relevant Continuing Shareholders or the Sale Shares have been offered to all Shareholders with Priority Rights in accordance with Article 15.7 and the process in Articles 15.8(a) to 15.8(d) has been exhausted. If at that time, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the relevant Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 15.9(a).

#### **15.9 Completion of transfer of Unallocated Sale Shares**

- (a) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 15.9 (b), the Seller may, within sixty (60) days after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price (provided that if there was a Minimum Transfer Condition in the Transfer Notice, the Seller may only sell all (but not some) of the Sale Shares).
- (b) The right of the Seller to transfer Shares under Article 15.9(a) does not apply if the Board is of the opinion on reasonable grounds that:
  - (i) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the Business or with a Subsidiary Undertaking of the Company;
  - (ii) the transferee has not complied with Article 19 or Article 20;
  - (iii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
  - (iv) the Seller has failed or refused to provide promptly information available to it or them and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

#### **15.10 Completion of transfer of Sale Shares**

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for and/or allocated is less than the Minimum Number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 15.8 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- (b) If:
  - (i) the Transfer Notice does not include a Minimum Transfer Condition; or
  - (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the Minimum Number of Sale Shares,

the Board shall, when no further offers are required to be made under Article 15.8 and once the requirements of Article 18 and/or Article 19 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation

Notice) for completion of the transfer of the Sale Shares.

- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
  - (d) If the Seller fails to comply with the provisions of Article 15.10(c):
    - (i) the chairperson of the Company or, failing them, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
      - (a) complete, execute and deliver in their name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
      - (b) receive the Transfer Price and give a good discharge for it; and
      - (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
    - (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until such Seller has delivered to the Company their certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- 15.11 Any Sale Shares offered under this Article 15 to an Investor may be accepted in full or part by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 15.

## 16 VALUATION OF SHARES

- 16.1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served (and the Transfer Price cannot be agreed between the Seller and the Board in accordance with the foregoing provisions) then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either (if required):
- (a) appoint an expert valuer in accordance with Article 16.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or
  - (b) specify, if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks, that such Fair value shall be the Fair Value of the Sale Shares to which the Transfer Notice relates.
- 16.2 The Expert Valuer will be either:
- (a) the Auditors; or
  - (b) (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service or deemed service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either the Board or the Seller and approved by the Company.
- 16.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Sale Shares are capable of being transferred without restriction;
  - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
  - (e) reflecting any other factors which the Expert Valuer reasonably believes should be taken

into account.

- 16.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 16.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 16.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 16.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 16.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on them of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 16.9 The cost of obtaining the certificate shall be paid by the Company unless:
  - (a) the Seller cancels the Company's authority to sell; or
  - (b) the price of the Sale Shares certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Shares before the Expert Valuer was instructed,

in which case the Seller shall bear the cost.

## **17 COMPULSORY TRANSFERS - GENERAL**

- 17.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 17.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of their death the Directors may require the legal personal representatives of that deceased Shareholder either:
  - (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
  - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 17.2 shall not be fulfilled to the satisfaction of the Directors within the time period specified by the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

- 17.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganization), the relevant Shareholder and all their Permitted Transferees shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and their Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 17.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company but not an Investment Fund, the Directors, should they believe acting in good faith that such change in control could have a Material Adverse Effect on the Company or represent a significant infringement of its Shareholders' preemption or other rights, will have the power (having received the consent of Eligible Shareholders and with Majority Consent) to require in writing such Shareholder to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its or their names and its or their respective nominees' names save that, in the case of the Permitted Transferee, it shall first

### *Vesting Provisions – Deferred Shares*

- ### *Vesting Provisions – Deferred Transfer Notice*

- ### *Suspension of voting rights*

- [illegible]

completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

## 19 TAG ALONG

- 19.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 17 and 18, after going through the preemption procedure in Article 15.8, the provisions of Article 19.2 will apply if one or more Proposed Selling Shareholders propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of their or persons Acting in Concert with them) acquiring a Controlling Interest in the Company.
- 19.2 A Proposed Selling Shareholder must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other holders of Equity Shares to acquire all of the Equity Shares held by them on the same terms and for a consideration per Share the value of which is at least equal to the Specified Price (as defined in Article 19.7).
- 19.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**")
- 19.4 If any other holder of Equity Shares is not given the rights accorded them by this Article, the Proposed Selling Shareholders will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 19.5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Equity Shares held by Accepting Shareholders.
- 19.6 The Proposed Transfer is subject to the preemption provisions of Article 15 but the purchase of the Accepting Shareholders' Shares shall not be subject to Article 15.
- 19.7 For the purpose of this Article 19:
- (a) the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounce under any such letter of allotment respectively;
  - (b) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Equity Share offered or paid by the Proposed Purchaser:
  - (c) in the Proposed Transfer; or
  - (d) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer, plus an amount, the "**Supplemental Price**" defined in Article 19.7(c), equal to any other consideration (in cash or otherwise) (the "**Supplemental Consideration**") paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser to a Proposed Selling Shareholder, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for each Equity Share of the Proposed Selling Shareholder provided that the consideration to be paid to the Proposed Selling Shareholder and the Accepting Shareholders is distributed in accordance with the provisions of Article 5 and 6 (as applicable); Supplemental Price = **C / A**

### **where:**

**A** is the number of Equity Shares being sold in connection with the relevant Proposed Transfer by the Proposed Selling Shareholder;

**C** is the Supplemental Consideration paid or payable to the Proposed Selling Shareholder.

## 21 DRAG ALONG

- 20.4 Following the expiry of 5 Business Days from the date the Shareholders receive the Co-Sale Notice, the Selling Founder shall be entitled to sell to the Buyer on the terms notified to the Shareholders a number of shares not exceeding the number specified in the Co-Sale Notice less any Shares which Co-Sale Participants have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Co-Sale Participants the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Founder from the Buyer.
- 20.5 No sale by a Selling Founder shall be made pursuant to this Article 20 in respect of which a Co-Sale Notice has been given more than three months after service of that Co-Sale Notice.
- 20.6 A sale made in accordance with this Article 20 shall not be subject to Article 15 (save as set out in this Article).

Shareholders") wish to transfer all their interest in such Equity Shares (the "Selling Shareholders' Shares") to a Proposed Purchaser, the Selling Shareholders shall, subject to Majority Consent and the approval of the Board, have the option (the "Drag Along Option") to require all the other holders of Shares (the "Called Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.

- 21.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Selling Shareholders' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that:
- (a) the Called Shareholders are required to transfer all their Shares (the "Called Shares") under this Article;
  - (b) the person to whom they are to be transferred;
  - (c) the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article);
  - (d) the proposed date of transfer, and
  - (e) the form of any sale and purchase agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale.
- 21.3 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 21.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Selling Shareholders' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice save if the lapse is in the circumstances set out in Article 21.9.
- 21.5 The consideration (in cash or any other consideration which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Shares being sold) (the "**Drag Consideration**") for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration (which may be cash consideration and/or non-cash consideration) proposed to be paid by the Proposed Purchaser were distributed to the holders of the Called Shares and the Selling Shareholders' Shares in accordance with the provisions of Articles 5 and 6. Where the consideration is non-cash consideration, any valuation of such consideration applicable to the consideration payable to the Selling Shareholders shall also be applicable to the consideration payable to the Called Shareholders.
- 21.6 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer their Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.
- 21.7 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, Within 5 Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice), the Called Shareholders shall deliver:
- (a) duly executed stock transfer form(s) for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct;
  - (b) the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company; and
  - (c) a duly executed sale and purchase agreement, if applicable, specified in the Drag Along Notice or as otherwise specified by the Company,

(together the "**Drag Documents**")

- 21.8 On the expiration of that 5 Business Day period the Company shall pay the Called Shareholders,