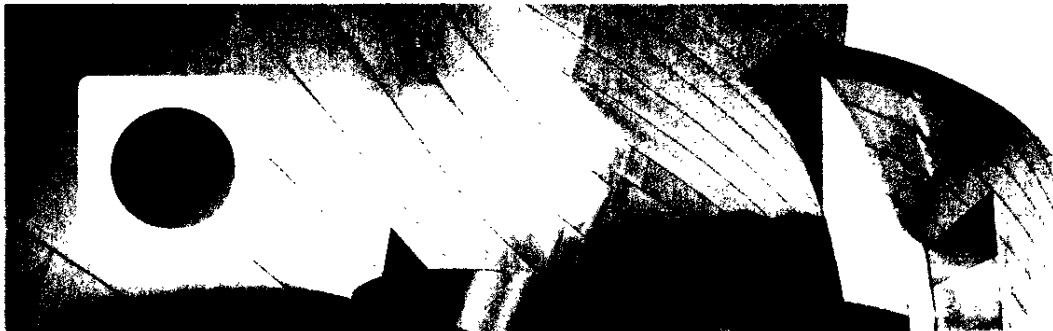




Written Resolutions of Anon AI Limited

**Company Number 10804708
("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 £107.217 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 grant of Rights already made or offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTIONS

2 New Articles of Association



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 Pre-emption 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 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 amount of £107.217; and
- (b) continue for five years from the passing of this resolution (unless renewed, 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.

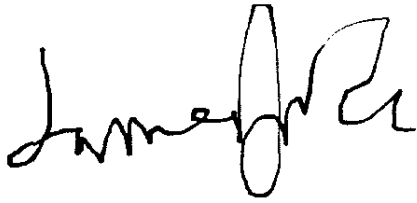
The undersigned, a person entitled to vote on the above resolutions, hereby irrevocably agrees to the above resolutions.

These resolutions are dated **11 October 2017**



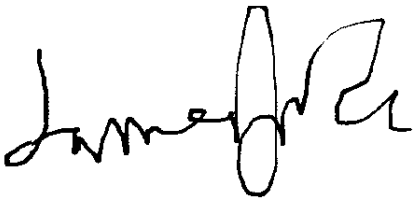
Harry Keen

for and on behalf of Employee Trustee Limited



James Arthur

for and on behalf of Post Urban Ventures Limited



James Arthur



Harry Keen



Luke Robinson

Grace Cassy

Kirsten Connell

Mike Francoise

Garry Hill

Jonathan Luff

Fintan Nagle

Poppy Wood

ARTICLES OF ASSOCIATION of Anon AI Limited

Private Company Limited By Shares
Company No: 10804708

Incorporated in England and Wales
on 6 June 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.

2 DEFINITIONS

"A Ordinary Shares" means the A Ordinary shares of £0.001 each in the capital of the Company;

"Accounts" means the statutory balance sheet, profit and loss account and cash flow statements of the Company or, if at the relevant time the Company has any Subsidiary Undertaking(s), a consolidation of the statutory balance sheets, profit and loss accounts and cash flow statements of the Company and its Subsidiary Undertaking(s), for each Financial Year;

"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 in respect of the Nominee Shares which shall have no right to be redeemed) 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 Majority Consent;

"AI Seed Fund" means the AI Seed Fund, acting through the Fund Advisor and its nominee company, AI Seed Nominees Limited;

"AI Seed Fund A Ordinary Share" means an A Ordinary Share held by an AI Seed Fund A Shareholder;

"AI Seed Fund A Ordinary Shareholder" means AI Seed Nominees Limited (or any of its permitted Transferees);

"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 (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 and (whether or not an associate as so determined);
- (b) any Member of the same Group;
- (c) any Member of the same Fund Group;

"Auditors" means the auditors 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 Shares" means the B Ordinary shares with no voting or dividend rights of £0.001 each in the capital of the Company;

"Bad Leaver" means a Founder who ceases to be an Employee prior to the fourth anniversary of the Date of Adoption by reason of:

- (a) such Founder resigning as an Employee voluntarily and in circumstances which do not amount to constructive dismissal; or
- (b) dismissal by the Company for Cause;

"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 "automating data anonymisation using AI" ;

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

"Cause" means a circumstance or circumstances which constitute a breach of contract by the Employee and which entitle the Company, either under the express terms of the Employee's service contract or otherwise, to terminate the Employee's employment or consultancy without notice or payment in lieu of notice;

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

"Commencement Date" means the date on which the employment or consultancy of the relevant Employee with the Company or any member of the Group commences;

"Company" means Anon AI Limited, a company incorporated in England and Wales with company registration number 10804708 and registered office at 84 Canon Street, Shrewsbury, SY2 5HF, United Kingdom;

"Company's Lien" has the meaning given in Article 31.1;

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

- (a) any information regarding this Agreement and the investment by the Investors in the Company;
- (b) any financial information or trading information relating to any Group Company or any Investor which a party may receive or obtain as a result of entering into this 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 these Articles or through the wrongful disclosure of any party), 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 party without restriction on disclosure;*
- (iii) *is, or subsequently comes, into the possession of the receiving party without violation of any obligation of confidentiality;*
- (iv) *is independently developed by the receiving party without breach of this agreement;*
- (v) *is explicitly approved for release by the written consent of an authorised representative of the disclosing party; or*
- (vi) *a party is required to disclose by law, by any securities exchange on which such party's securities are listed or traded, by any regulatory or governmental or other authority with relevant powers to which such party 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 28.7;

"Connected Person" has the meaning set out in section 1122 of the CTA 2010 and, in relation to an Investor who is a Fund, also includes any general partner, limited partner or other partner in, or trustee, nominee, manager of, adviser, promoter, beneficiary, unit holder or other financier of such Investor or any person who is a Connected Person of such Investor;

"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;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted, being 25 September 2017;

"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;

"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;

"Employee" means an employee of or consultant 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 or consultant of a Group Company);

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

"Equity Shares" means the A Ordinary Shares and Ordinary Shares;

"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;

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Expert Valuer" is as determined in accordance with Article 14.1(a);

"Fair Value" is as determined in accordance with Article 14.3;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, 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" and **"Financial Period"** means an accounting reference period (as defined by Part 15 Chapter 3 of the Act) of the Company;

"Founder Director" means a person appointed as Director by the Founders under Article 25;

"Founder Shares" in relation to a Founder, means all voting Ordinary Shares in the Company 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) 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 or if so for fair market value;

"Fund Consent" means the prior written consent of AI Seed Fund.

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

"Good Leaver" means a person 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;

"Highest Issue Price" means the highest Issue Price paid or deemed to be paid for a Share;

"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 an Investment Manager;

"Investment Manager" means a person whose principal business is to make, manage or advise upon investments;

"Investor" means any holder of Shares other than:

- (a) a current or departed Employee of the Company;
- (b) a Shareholder whose allotment was in exchange for services provided to the Company;
- (c) a Shareholder whose allotment was as a result of a Permitted Transfer by reason of being a Privileged Relation, Trustee or Qualifying Company;

"Investor Director" means a non-executive director to be appointed to the board in accordance with Article 25;

"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);

"Issue Price" means the Original Issue Price paid or deemed to be paid for a Share, as adjusted from time to time to take into account any Adjustment Event;

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

"Lien Enforcement Notice" has the meaning given in Article 31.3;

"Liquidation Amount" means in respect of each Share, an amount equal to one times the Issue Price of such share;

"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;

"Majority Consent" means receipt of the relevant Investor Majority Consent, as defined in the the Subscription and Shareholders Agreement;

"a Member of the same Fund Group" means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager or is a nominee of any such Investment Fund:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any other Investment Fund whose business is managed or advised by the same Investment Manager as manages or advises the Investment Fund which is or whose nominee is the transferor;
- (c) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor; any Investment Fund managed or advised by that Investment Manager;
- (d) any Parent Undertaking or Subsidiary Undertaking of that Investment Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Investment Manager; or
- (e) 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 excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

"Non-AI Seed Fund A Ordinary Shares" means A Ordinary Shares other than AI Seed Fund A Ordinary Shares;

"Offer" has the meaning set out in Article 17.2;

"Offer Period" has the meaning set out in Article 17.3;

"Option Share" means, in relation to an Employee and any of their Permitted Transferees, any non-voting Ordinary Shares issued as a result of exercising any option granted pursuant to any Share Option Plan. For the avoidance of doubt an Option Share is not subject to any vesting schedule and is fully vested from the date of exercise;

"Ordinary Shares" means the ordinary shares in the capital of the Company;

"Original Issue Price" means the price at which the relevant Share is issued including any premium, except in respect of each Share acquired on the exercise of any option granted pursuant to a Share Option Plan, where the Original Issue Price means the nominal value of such share;

"Original Shareholder" has the meaning set out in Article 12.1;

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

"Permitted Transfer" means a transfer of Shares in accordance with Article 12;

"Permitted Transferee" means:

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

"Priority Rights" means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 13.7;

"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) 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 an Investor Majority;

"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 17.3;

"Proposed Sale Notice" has the meaning given in Article 17.3;

"Proposed Sale Shares" has the meaning given in Article 17.3;

"Proposed Seller" means any holder of Shares (other than an Investor) being an Employee and any Permitted Transferee of an Employee and proposing to transfer any Shares in the capital of the Company;

"Proposed Selling Shareholder" means any Shareholder proposing to transfer any Shares in the capital of the Company;

"Proposed Transfer" has the meaning given in Article 17.1;

"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;

"Restricted Shares" means the Shares held by Employees whose voting rights may be suspended in accordance with Articles 16.3 and 16.4;

"Sale" means a Share Sale or an Asset Sale;

"Sale Shares" means the number and the class of Shares which a Shareholder wishes to transfer has the meaning as set out in Article 13.2(a);

"SEIS" means the provisions of Part 5A of the Income Tax Act 2007 and Sections 150E-150G and Schedule 5BB to the Taxation of Chargeable Gains Act 1992 relating to the Seed Enterprise Investment Scheme;

"SEIS Shares" means, in respect of Shares, Shares that are eligible for SEIS Relief subject to HMRC approval;

"SEIS Investor" means the holders of SEIS Shares who have declared their intent to claim for SEIS Relief on such Shares as described in the Subscription and Shareholders Agreement;

"SEIS Relief" means the tax reliefs available to Investors under the SEIS;

"Seller" means a Shareholder who wishes to transfer Shares;

"Shareholder" means any holder of any Shares (but excludes the Company holding Treasury Shares);

"Share Option Plan" means the share option plan, if any, to be established by the Company pursuant to the Subscription and Shareholders Agreement;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with them together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

"Shares" means the A Ordinary, B Ordinary and Ordinary Shares and any other class of share (if any) from time to time;

"Subscription and Shareholders Agreement" means the investment agreement entered into on 25 September 2017 between (1) the Investors (as defined therein), (2) the Existing Shareholders (as defined therein), (3) the Founders (as defined therein), (4) the Company, and (5) Hut 8 Management Ltd;

"Subsidiary" has the meaning set out in sections 1159 of the Act;

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

"Transfer Notice" shall have the meaning given in Article 13.2;

"Transfer Price" shall have the meaning given in Article 13.2(c);

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust;

"Unvested Shares" means all the Founder Shares prior to the first anniversary of the Date of Adoption and thereafter until the fourth anniversary of the Date of Adoption, such number of Shares equal to all the Founder Shares multiplied by the following percentage (rounded up to two decimal places):

$$100 - (100/48 \times \text{NM})$$

where NM = number of full calendar months from the Date of Adoption to the Termination Date.

3 SHARE CAPITAL

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 The Company's share capital is divided into A Ordinary, B Ordinary and Ordinary Shares which, save as provided in the Articles, will rank as equal in all respects (except for voting and dividend rights where indicated) but shall constitute separate classes of shares.
- 3.3 The words "and the Directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from Article 22(2) of the Model Articles.
- 3.4 Subject to Majority Consent and the Act, the Company may purchase its own Shares to the

extent permitted by section 692(1ZA) of the Act.

- 3.5 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".
- 3.6 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".
- 3.7 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 Shares (pari passu as if the Shares constituted one class of share) pro rata to their respective holdings of Shares.
- 4.3 Subject to the Act and these Articles, the Board 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 If there are nil paid or partly paid share(s), any holder of such 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 share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.6 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.
- 4.7 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.

4.8 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

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities (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 Shares, an amount per share held equal to the Liquidation Amount of such Shares (in aggregate the "**Liquidation Amounts**") provided that if the Surplus Assets are insufficient to pay the Liquidation Amounts, the holders of Shares will receive a proportion of the Surplus Assets of the company pro rata to the amount to which they would have been entitled assuming payment in full under this Article 5(a);
- (b) second, the remaining Surplus Assets shall be distributed amongst the holders of Shares until such time as each holder of such Shares, as the case may be, has received (in addition to any amount received under Article 5(a)) an amount per Share equal to the difference between the Highest Issue Price and the Issue Price of such Share (provided that if there are insufficient surplus assets to pay such amounts, the remaining Surplus Assets shall be distributed to the holders of Shares pro rata to the amount to which they would have been entitled assuming payment in full under this Article 5(b);
- (c) the balance of the surplus assets (if any) shall be distributed amongst the holders of Shares pro rata to the number of Shares held by them.

6 EXIT PROVISIONS

- 6.1 On a Share Sale the proceeds from the Sale ("**Proceeds**") shall be distributed and paid out as follows (to the extent that the Company is lawfully permitted to do so):
 - (a) first, in paying to each of the holders of the Ordinary Shares and A Ordinary Shares an amount equal to the Original Issue Price of such Shares (in each case pro rata as between such holders to their respective holdings of the relevant classes as if such Shares constituted a single class);

- (b) secondly (from the Proceeds remaining following the application of Article 6.1(a)) in paying to the Shareholders holding B Ordinary Shares an amount equal to the Original Issue Price of such Shares (pro rata as between such Shareholders to their respective holdings of such Shares);
- (c) thereafter, in dividing the surplus Proceeds (if any following the application of Articles 6.1(a) and 6.1(b)) ("**Surplus Proceeds**") as follows:
 - (i) in paying to the holders of Ordinary Shares an amount equal to the Ordinary Proceeds (pro rata as between such holders of Ordinary Shares to their respective holdings of such Ordinary Shares);
 - (ii) in paying to the holders of Non-AI Seed Fund A Ordinary Shares an amount equal to the Non-AI Seed Fund A Ordinary Proceeds (pro rata as between such holders of Non-AI Seed Fund A Ordinary Shares to their respective holdings of such A Ordinary Shares);
 - (iii) in paying to the holders of AI Seed Fund A Ordinary Shares an amount equal to the AI Seed Fund A Ordinary Proceeds (pro rata as between such holders of AI Seed Fund A Ordinary Shares to their respective holdings of such A Ordinary Shares);
 - (iv) in paying to the B holders of Ordinary Shares, an amount equal to the B Ordinary Proceeds (pro rata as between such holders of B Ordinary Shares to their respective holdings of such B Ordinary Shares);
 - (v) where:

Ordinary Proceeds = $(O/ES) * P$

Non-AI Seed Fund A Ordinary Proceeds = $(NASFS/ES) * SP$

NASFS = the number of Non-AI Seed Fund A Ordinary Shares in issue being the number of A Ordinary Shares in issue not held by the AI Seed Fund

ASFS = the number of AI Seed Fund A Ordinary Shares in issue being the number of A Ordinary Shares held by the AI Seed fund

AI Seed Fund A Ordinary Proceeds = $((ASFS/ES) * SP) - \text{AI Seed Fund Carried Interest}$

B Proceeds = AI Seed Fund Carried Interest

(provided that if the AI Seed Fund Carried Interest is a negative number, then it shall be zero for the purposes of this Article)

AI Seed Fund Carried Interest = $((ASFS/ES) * SP) - (\text{AI Seed Fund A Ordinary Shares aggregate Issue Price} * 1.5) * 0.2$

7 VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 7.1 The Equity Shares shall confer on each holder of such Equity 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 Option 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 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 Share held by them. On a proposed written resolution of the Company, each Shareholder shall have one vote for each Share held by them.
- 7.4 The voting rights conferred on the Shares held by any SEIS Investor 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, these Articles and Majority Consent, 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 VARIATION OF RIGHTS

- 9.1 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) only with the consent in writing of the holders of all the issued shares of that class or a similar majority special resolution passed at a separate general meeting of the holders of that class sanctioning the variation.
- 9.2 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 9, constitute a variation of the rights of those existing classes of shares.

10 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

10.1 Subject to the remaining provisions of this Article 10 and to Majority Consent, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

- (a) offer, allot or grant rights to subscribe for, or
- (b) convert securities into,

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

- (i) this authority shall be limited to a maximum nominal amount of £107.217 (subject to any Adjustment Event) comprising all share classes;
- (ii) this authority shall only apply insofar as the Company has not by resolution waived or revoked it;
- (iii) this authority may only be exercised for a period of 5 years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

This authority is in substitution for all subsisting authorities.

10.2 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.

10.3 Unless a special resolution has been approved in 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 all Shareholders (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 Shares held by those Subscribers. The offer (the "**Pro-Rata Participation 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 Shareholder on a pro-rata basis (the "**Pro-Rata Entitlement**") and the subscription price of such New Securities; and
- (b) may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe.

- 10.4 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 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).
- 10.5 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 at the same price and on the same terms as the offer to the Subscribers.
- 10.6 Subject to Articles 10.3 to 10.5 (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.
- 10.7 The provisions of Articles 10.3 and 10.6 (inclusive) shall not apply to:
- (a) the option to subscribe for Ordinary 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);
 - (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or any investment agreement, including (without limitation) the issue of:
 - (c) 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;
 - (d) New Securities issued as a result of an Adjustment Event, which has been approved in writing by Majority Consent.
 - (e) the allotment and issue of the New Securities pursuant to and in accordance with the terms of the Subscription and Shareholders Agreement;
- 10.8 Any New Securities offered to Shareholders under Article 10.3 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.
- 10.9 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 has entered into a joint section 431 ITEPA election with the Company.

11 TRANSFERS OF SHARES - GENERAL

- 11.1 In Articles 11 to 19 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.

- 11.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 11.3 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.
- 11.4 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 19 inclusive will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.5 A Founder may not transfer more than an aggregate of up to 10% of their Ordinary Shares (adjusted for any Adjustment Event) prior to an IPO without Majority Consent.
- 11.6 It is hereby agreed by the parties that on an IPO the Shareholders will, to the extent required by:
- (a) the Listing Rules;
 - (b) the AIM Rules; or
 - (c) any equivalent requirements of any other recognised investment exchange (as defined in the Financial Services and Markets Act 2000),

retain such number of their Shares in the Company 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

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.

- 11.7 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 in a joint section 431 ITEPA election with the Company;
 - (c) it is a transfer of a Share which is not fully paid:
 - (i) to a person of whom the Directors do not approve; or
 - (ii) 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.

11.8 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.

11.9 The Directors may, as a condition to the registration of any transfer of shares in the Company (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 11.9 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

11.10 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may 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 in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their 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 shall immediately notify the holder of such shares in the capital of the Company 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; 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.

The rights referred to in (a) above may be reinstated by the Board subject to Majority Consent and shall in any event be reinstated upon the completion of any transfer referred to in (b) above.

- 11.11 In any case where the Board may require a Transfer Notice to be given in respect of any Shares (in accordance with the provisions of these Articles) if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.
- 11.12 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any Director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within 5 Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
 - (b) it does not include a Minimum Transfer Condition (as defined in Article 13.2(d)); and
 - (c) the Seller wishes to transfer all of the Shares held by it.
- 11.13 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of:
- (a) the transferor; and
 - (b) (if any of the shares is partly or nil paid) the transferee.

12 PERMITTED TRANSFERS

- 12.1 Subject always to Article 11.2, a Shareholder (who is not a Permitted Transferee) (the “**Original Shareholder**”) may transfer all or any of their Shares to a Permitted Transferee without restriction as to price or otherwise save that the transfer of Shares held by any Founder under this Article 12.1 shall require Majority Consent and save that no Restricted Shares shall be transferred to a Permitted Transferee without Majority Consent.
- 12.2 Shares previously transferred as permitted by Article 12.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 12.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 12.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than 5 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation)

without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

- 12.5 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than 5 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.
- 12.6 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.
- 12.7 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.
- 12.8 If a company to which a Share has been transferred under Article 12.6 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.
- 12.9 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 13.2,
- failing which they shall be deemed to have given a Transfer Notice.
- 12.10 On the death (subject to Article 12.3), 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.

13 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 13.1 Save where the provisions of Articles 12 (Permitted Transfers), 15 (Compulsory Transfers - General) and 17 (Compulsory Transfers - Employees) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.
- 13.2 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 Majority Consent). 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 Majority 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.

- 13.3 The right of pre-emption in Article 13.1 may be 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.
- 13.4 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.
- 13.5 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.
- 13.6 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 14,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 13.7 and 13.8. Each offer must be in writing and give details of the number, class and Transfer Price of the Sale Shares offered.

13.7 Priority Rights for offer of Sale Shares

The Sale Shares shall be offered in the following priority:

Class of Sale Shares	First offer to...	Then to...
Ordinary Shares	Shareholders holding Ordinary Shares and Shareholders holding A Ordinary Shares (as if they constituted one class of share)	Members of the Fund Group holding A Ordinary Shares
A Ordinary Shares	Shareholders holding A Ordinary Shares	Members of the Fund Group holding A Ordinary Shares
B Ordinary Shares	Shareholders holding B Ordinary Shares	

thereafter, to the Company;

in each case on the basis set out in Article 13.8.

13.8 Transfers: Offer

- (a) The Board shall offer the Sale Shares pursuant to the Priority Rights to all shareholders specified in the offer and in accordance with Article 13.7 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 13.8 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 have applied for Sale Shares 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 the relevant class(es) of 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 13.7 inviting them to apply in accordance with Article 13.8(a).

The process in Articles 13.8(a) to (d) inclusive shall be repeated mutatis mutandis until such time as the total number of 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 13.7. 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 13.9(e).

13.9 **Completion of transfer of Sale Shares**

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for 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 13.8 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 13.8 and once the requirements of Article 17 and/or Article 18 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 13.9(c):
 - (i) the chairman 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).
- (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.9 (f), 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.
- (f) The right of the Seller to transfer Shares under Article 13.9(e) 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 sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (iii) 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.
 - (iv) the transferee has not complied with Article 17 or Article 18 where such compliance is necessary.

13.10 Any Sale Shares offered under this Article 13 to an Investor may be accepted in full or part only 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 13.

14 VALUATION OF SHARES

- 14.1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served 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:
- (a) appoint an expert valuer in accordance with Article 14.2 (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.
- 14.2 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 of the Transfer Notice to

be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

- 14.3 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) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 14.4 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.
- 14.5 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.
- 14.6 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).
- 14.7 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.
- 14.8 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.
- 14.9 *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.

15 **COMPULSORY TRANSFERS - GENERAL**

- 15.1 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.
- 15.2 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 15.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 15.3 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 their assets, 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.
- 15.4 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, it shall be bound at any time, if and when required in writing by the Directors to do so, 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 be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.
- 15.5 If a Founder ceases by reason of being a Bad Leaver to be an Employee prior to the end of a period of 48 months from the Date of Adoption, such Founder (and his Permitted Transferees in any) shall be deemed to have given a Transfer Notice in respect of all of the Unvested Shares (rounded down to the nearest whole share) on the Effective Termination Date.
- 15.6 The Transfer Price shall be the lower of Fair Value and the nominal value of the Unvested Shares.
- 15.7 The Unvested Shares shall be offered to the Shareholders under Article 13.7.

16 **COMPULSORY TRANSFER - EMPLOYEES**

Deemed Transfer Notice

- 16.1 If at any time during the Vesting Period an Employee ceases to be an Employee by reason of being a Bad Leaver or a Good Leaver, the relevant Employee shall be deemed to have given

a Transfer Notice in respect of their Founder Shares (or a proportion thereof) on the Effective Termination Date, at the relevant deemed Transfer Price.

16.2 In circumstances laid out in Article 16.1, the deemed Transfer Price of the Founder Shares shall be as follows:

- (a) where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver, either the Fair Value of the Founder Shares or the nominal value of the Founder Shares, whichever is the lesser.
- (b) where the relevant Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value of the Unvested Proportion of the Founder Shares or the nominal value of the Founder Shares, whichever is the lesser.

Suspension of Voting Rights

16.3 Until such time as the Shares are transferred in accordance with Articles 16.1 to 16.2 inclusive, all voting rights, if any, attached to Founder Shares held by a Founder or by any Permitted Transferee of that Founder (the "**Restricted Member**"), shall at the time they cease to be an Employee be suspended.

16.4 Any Shares whose voting rights are suspended pursuant to Article 16.3 ("**Restricted Shares**") shall confer on the holders of Restricted Shares unchanged rights if any to receive a notice of and attend all general meetings of the Company but such holders shall not vote either in person or by proxy at such general meetings nor vote on any proposed written resolution. Voting rights, if suspended pursuant to Article 16.3, shall automatically be restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in the Company in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

Accelerated Vesting

16.5 Upon the occurrence of either (i) an Asset Sale or (ii) a Share Sale, the Unvested Proportion in relation to any Founder who is still an employee of the Company at the time of the Sale shall be reduced to zero so that such Founder's shares are fully vested upon such Sale.

17 TAG ALONG

17.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 15 and 16, after going through the pre-emption procedure in Article 13.8, the provisions of Article 17.2 will apply if one or more Proposed Selling Shareholders propose to transfer in one or a series of related transactions any 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.

17.2 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 Shareholders to acquire all of the Shares held by them for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 17.7).

17.3 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**").

- 17.4 If any other holder of 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.
- 17.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 17.6 The Proposed Transfer is subject to the pre-emption provisions of Article 15 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 15.
- 17.7 For the purpose of this Article 17:
 - (a) the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounee 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 Share offered or paid by the Proposed Purchaser:
 - (i) in the Proposed Transfer; or
 - (ii) 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 17.7(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 Share of the Proposed Selling Shareholder provided that the consideration to be paid is distributed in accordance with the provisions of Article 5 and 6 (as applicable);

- (c) Supplemental Price = C / A

where:

A is the number of 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.

18 CO-SALE RIGHT

- 18.1 No transfer (other than a Permitted Transfer) of any of the Founder Shares relating to a Founder may be made or validly registered (if it is in respect of more than 10% of the Shares, excluding Treasury Shares, and subject to Article 11.5) unless the relevant Founder and any Permitted Transferee of such Founder (each a **"Selling Founder"**) shall have observed the following procedures of this Article.
- 18.2 After the Selling Founder has gone through the pre-emption process set out in Article 13.8, the Selling Founder shall give to each holder of Shares who has not taken up their pre-emptive rights under Article 13.8 (a **"Non Preempting Shareholder"**) not less than 15 Business Days' notice in advance of the proposed sale (a **"Co-Sale Notice"**). The Co-Sale Notice shall specify:
- (a) the identity of the proposed purchaser (the **"Buyer"**);
 - (b) the price per share which the Buyer is proposing to pay;
 - (c) the manner in which the consideration is to be paid;
 - (d) the number and class of Shares which the Selling Founder proposes to sell; and
 - (e) the address where the counter-notice should be sent.

For the purposes of this Article 18, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Selling Founder were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with Articles 5 and 6.

- 18.3 Each Non Preempting Shareholder shall be entitled within 5 Business Days after receipt of the Co-Sale Notice, to notify the Selling Founder that they wish to sell a certain number of Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which such Non Preempting Shareholder (a **"Co-Sale Participant"**) wishes to sell. The maximum number of shares which a Non Preempting Shareholder can sell under this procedure shall be **$(X/Y)*Z$**

where:

X is the number of Shares held by a Co-Sale Participant;

Y is the total number of Shares (excluding Treasury Shares) held by the Co-Sale Participants and the Selling Founder;

Z is the number of Shares the Selling Founder proposes to sell.

Any Shareholder who does not send a counter-notice within such 5 Business Day period shall be deemed to have specified that they wish to sell no shares.

- 18.4 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 Shareholders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Shareholders 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.

- 18.5 No sale by a Selling Founder shall be made pursuant to this Article 18 in respect of which a Co-Sale Notice has been given more than three months after service of that Co-Sale Notice.
- 18.6 A sale made in accordance with this Article 18 shall not be subject to Article 13.

19 DRAG ALONG

- 19.1 If the holders of 75% or more of all Shares (excluding any Treasury Shares) (the **"Selling Shareholders"**) wish, with Investor Majority and Fund Consent, to transfer all their interest in such Shares (the **"Selling Shareholders' Shares"**) to a Proposed Purchaser, the Selling Shareholders shall have the option (the **"Drag Along Option"**) to require all the other holders of Shares (the **"Called Shareholders"**) to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.
- 19.2 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.
- 19.3 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 19.4 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 19.9.
- 19.5 The consideration (in cash or otherwise) (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.

- 19.6 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.
- 19.7 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**”).
- 19.8 On the expiration of that 5 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the Drag Consideration that is due to the extent the Proposed Purchaser has paid such consideration to the Company or, if the consideration is non-cash consideration, the Proposed Purchaser has satisfied the consideration due to the Called Shareholders through the issue of shares or securities or the payment or transfer of any other non-cash consideration which forms the non-cash consideration due to be issued, paid or transferred to that Called Shareholder. The Company's receipt of the Drag Consideration shall be a good discharge to the Proposed Purchaser. The Company shall hold the Drag Consideration in trust for the Called Shareholders without any obligation to pay interest.
- 19.9 To the extent that the Proposed Purchaser has not, on the expiration of such 5 Business Day period, paid the Drag Consideration (for their cash and if relevant non cash portion) or satisfied the Board that the Proposed Purchaser is in a position to issue, pay, transfer or otherwise satisfy such Drag Consideration, the Called Shareholders shall be entitled to the return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of their Shares.
- 19.10 If a Called Shareholder fails to deliver the Drag Documents for the relevant Shares to the Company upon the expiration of that 5 Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to execute and deliver the Drag Documents on behalf of the Called Shareholder and to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or their nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that 5 Business Day period, paid the Drag Consideration (for their cash and if relevant non cash portion) or has satisfied the Board that the Proposed Purchaser is in a position to issue, pay, transfer or otherwise satisfy such Drag Consideration as is payable for such Called

Shareholders' Shares offered to them. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender their share certificate for their Shares (or provide a suitable indemnity) to the Company. On surrender, they shall be entitled to the Drag Consideration (in cash or otherwise) due to them.

- 19.11 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 13.
- 19.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 19.13 In the event that an Asset Sale is approved by the Board, Majority Consent, Fund Consent, and the holders of 75% of all Shares (excluding any Unvested Shares and any Treasury Shares), such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 5 and 6.

20 GENERAL MEETINGS

- 20.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting not later than 21 days after becoming subject to such requirement, for a date not later than 28 days after the date of the notice convening such meeting in accordance with section 304 of the Act.
- 20.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in Article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50% in nominal value of the Shares (excluding Treasury Shares), any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 20.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 20.4 If a demand for a poll is withdrawn under Article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

- 20.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 20.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 20.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

21 PROXIES

- 21.1 Paragraph (c) of Article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the Directors)".
- 21.2 The instrument appointing a proxy and any authority under which it is executed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- (a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
 - (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
 - (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

22 DIRECTOR'S BORROWING POWERS

- 22.1 The Directors may, with Majority Consent, exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

23 ALTERNATE DIRECTORS

- 23.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any Director or any other person as they think fit to be their alternate Director to:
- (a) exercise that Director's powers; and
 - (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.
- 23.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.
- 23.3 The notice must:
- (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 23.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as each alternate's Appointor.
- 23.5 Except as these Articles specify otherwise, alternate Directors:
- (a) are deemed for all purposes to be Directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointors; and
 - (d) are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which their Appointor is a member.
- 23.6 A person who is an alternate Director but not a Director:
- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - (b) may sign a Directors' written resolution (but only if their Appointor is an Eligible Director in relation to that decision, but does not participate).
- 23.7 A Director who is also an alternate Director is entitled, in the absence of their Appointor, to a separate vote on behalf of each Appointor, in addition to their own vote on any decision of the Directors (provided that their Appointor is an Eligible Director in relation to that decision).

- 23.8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 23.9 An alternate Director's appointment as an alternate shall terminate:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - (c) on the death of the alternate's Appointor; or
 - (d) when the alternate's Appointor's appointment as a Director terminates.

24 **NUMBER OF DIRECTORS**

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall not exceed 5 and shall be not less than 2.

25 **APPOINTMENT OF DIRECTORS**

In addition to the powers of appointment under Article 17(1) of the Model Articles:

- 25.1 The Founders shall be entitled to appoint and remove up to 3 persons as Directors of the Company from time to time (the Founder Directors) and the other holders of Shares shall not vote their Shares so as to remove such persons from office provided that:
- (a) each Founder will be entitled to appoint and remove themselves as a Founder Director; and
 - (b) any other Founder Directors will be appointed and/or removed by the majority of the Shares held by the Founders.
- 25.2 An appointment or removal of a Director under this article will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors of the Company.
- 25.3 Certain classes of shareholders shall be entitled to appoint a person to act as an Observer (as defined in the Subscription and Shareholders Agreement) to the Board, to the board of Directors of any Subsidiary Undertaking and any committee of the Board or board of Directors of any Subsidiary Undertaking established from time to time. Such Observer shall be entitled to attend and speak at all such meetings and receive copies of all board papers as if they were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.
- 25.4 The holders of A Ordinary Shares shall be entitled to appoint 1 person to act as an Observer to the Board.

26 **DISQUALIFICATION OF DIRECTORS**

In addition to that provided in Article 18 of the Model Articles, the office of a Director shall also be vacated if they are convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that their office be vacated.

27 PROCEEDINGS OF DIRECTORS

- 27.1 To be quorate, any meeting of the Board shall be 2 directors. If such a quorum is not present *within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present*, the meeting may be adjourned to a date not less than 1 week later at the same time and place or at such time and place as determined by the Directors present at such meeting. The quorum at such adjourned meeting shall be any two Directors.
- 27.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom they are the alternate shall be counted in the quorum *despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that fewer than two Directors are physically present*.
- 27.3 Any Director who participates in the proceedings of a meeting by means of a communication device (including by phone) which allows all the other Directors present at that meeting (whether in person or by alternate or by means of that type of communication device) to hear at all times that Director and that Director to hear at all times all other Directors present at the meeting (whether in person or by alternate or by means of that type of communication device) shall be deemed to be present at the meeting and shall be counted when reckoning a quorum. A meeting held by these means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 27.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 27.5 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which they have, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that they have previously disclosed the nature of such duty or interest to the Directors and complied with all relevant provisions in Article 28.
- 27.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes (whether in respect of the appointment of a chairman of the meeting or otherwise), the question shall be decided in accordance with Article ****REF****.
- 27.7 The Board shall meet at least 6 times in each calendar year.
- 27.8 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in Article 7(1) of the Model Articles to Article 8 of the Model Articles shall be deemed to include a reference to this article also.

28 DIRECTORS' INTERESTS

Specific interests of a Director

- 28.1 Subject to the provisions of the Act and provided (if these Articles so require) that they have declared to the Directors in accordance with the provisions of these Articles, the nature and extent of their interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding their office, have an interest of the following kind:
- (a) where a Director (or a person connected with them) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
 - (b) where a Director (or a person connected with them) is a Director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
 - (c) where a Director (or a person connected with them) is a shareholder in the Company or a shareholder in, employee, Director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
 - (d) where a Director (or a person connected with them) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
 - (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
 - (f) where a Director (or a person connected with them or of which they are a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which they are a Director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not they or it is remunerated for this;
 - (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (h) any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

- 28.2 For the purposes of this Article 28, an interest of which a Director is not aware and of which it is unreasonable to expect them to be aware shall not be treated as an interest of theirs.

Accountability of any benefit and validity of a contract

- 28.3 Provided permitted by the Act, and provided they have disclosed to the other Directors the nature and extent of their interest pursuant to Section 177 or Section 182 of the Act or otherwise in accordance with these Articles (as the case may be), a Director, notwithstanding their office:

- (a) shall be entitled to be a party to, or otherwise be directly or indirectly interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and may hold any other office or place of profit under the Company (except that of auditor or of auditor of a Subsidiary) in addition to the office of Director and may act by themselves or through their firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the Directors may arrange either in addition to or in lieu of any remuneration provided for by any other Article;
- (b) shall be authorised to be a member, Director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in, any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any Group Company;
- (c) shall not, by reason of their office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which they derive from:
 - (i) any matter, office, employment or position which relates to a Conflict Situation authorised in accordance with Article 28.8; or
 - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this Article 28.4,
- (d) and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any Director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with Article 28.6 or permitted pursuant to paragraphs (a) and (b) of this Article 28.4 and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176 of the Act.

28.4 A Director shall not, by reason of their office, be accountable to the Company for any benefit which they derive from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to this Article 28 (subject in any case to any limits or conditions to which such approval was subject).

Terms and conditions of Board authorisation

28.5 Subject to and in accordance with the Act:

- (a) the Directors may authorise any matter or situation in which a Director, including any shadow Director, (the “**Conflicted Director**”) 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) and for this purpose a conflict of interest includes a conflict of interest and duty, and a conflict of duties (the “**Conflict Situation**”);
- (b) any authorisation given in accordance with this Article 28 may be made on such terms and subject to such conditions and/or limitations as the Directors may, in their absolute discretion, determine (including, without limitation, excluding the Conflicted Director and any other interested Director from certain Directors’ meetings,

withholding from them or them certain Board or other papers and/or denying them access to Confidential Information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated; and

- (c) in considering any request for authorisation in respect of a Conflict Situation, the Directors shall be entitled to exclude the Conflicted Director from any meeting, voting (at a meeting of Directors or for a written Directors' resolution) or other discussion (whether oral or written) concerning the authorisation of such Conflict Situation and they shall also be entitled to withhold from such Conflicted Director any Board or other papers concerning the authorisation of such Conflict Situation,

Conflicted Director's duties in Conflict Situation

- 28.6 If any Conflict Situation is authorised or otherwise permitted under these Articles, the Conflicted Director for as long as they reasonably believe such Conflict Situation subsists):
- (a) shall not be required to disclose to the Company (including the Directors or any committee) any confidential information relating to such Conflict Situation which they obtain or have obtained otherwise than in their capacity as a Director of the Company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by them to another person;
 - (b) shall not be required to use or apply such confidential information for the purpose of or in connection with the performance of their duties as a Director.
 - (c) shall be entitled to attend or absent themselves from all or any meetings of the Directors (or any committee) at which anything relating to such Conflict Situation will or may be discussed; and
 - (d) shall be entitled to make such arrangements as they think fit to receive or not to receive documents or information (including, without limitation, Directors' papers (or those of any committee of the Directors)) relating to any such Conflict Situation and/or for such documents or information to be received and read by a professional adviser on their behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty they owe to the Company pursuant to Sections 171 to 177 (inclusive) of the Act and the provisions of this Article 28.8 shall be without prejudice to any equitable principle or rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles.

- 28.7 Where the effect of excluding, pursuant to Article 28, a Director or Directors from counting in a quorum at any board meeting would be such that the meeting would not be quorate then the quorum for the meeting at which any such authorisation is sought shall be any one Director.
- 28.8 Provided (if the Articles so require) that they have declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of their interest, and subject to any restrictions on voting or counting in a quorum imposed by these Articles, or by the Directors in authorising any conflict of interest pursuant to this Article 28, at any meeting of the Directors (or of any Committee of the Directors) a Director may vote on any resolution,

notwithstanding that it in any way concerns or relates to a matter in which they have, directly or indirectly, any kind of interest. If they do vote on any such resolution, their vote shall be counted. Such a Director shall be counted as part of the quorum present at the meeting (and in relation to such a resolution) whether or not the Director votes on the resolution, save to the extent that these Articles provide to the contrary.

- 28.9 If a matter, or office, employment or position has been authorised by the Directors in accordance with this Article 28 the relevant Director shall be obliged to conduct himself in accordance with any terms imposed by the Board in relation thereto (whether at the time authorisation is given or at any time thereafter);

Requirement of a Director is to declare an interest

- 28.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 28.1 or Article 28.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- (a) falling under Article 28.1(g);
 - (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
 - (c) if, or to the extent that, it concerns the terms of their service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder Approval

- 28.11 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 28.
- 28.12 For the purposes of this Article 28:
- (a) a conflict of interest includes a conflict of interest and duty, and a conflict of duties;
 - (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
 - (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

29 NOTICES

Any notice required by these Articles to be given by the Company may be given by any written documentary form including by means of electronic mail or facsimile, and a notice communicated by

such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulation 48 of Model Articles shall be amended accordingly.

30 INDEMNITIES AND INSURANCE

30.1 Subject to the provisions of and so far as may be permitted by, the Act:

- (a) every Director or other officer of the Company (excluding the Auditors) without prejudice to any indemnity to which a Director or other officer of the Company may otherwise be entitled, shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify Directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by them in the actual or purported execution or discharge of their duties or the exercise or purported exercise of their powers or otherwise in relation to or in connection with their duties, powers or office, provided that no Director of the Company or any associated company is indemnified by the Company against:
 - (i) any liability incurred by the Director to the Company or any associated company; or
 - (ii) any liability incurred by the Director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
 - (iii) any liability incurred by the Director:
 - (a) in defending any criminal proceedings in which they are convicted;
 - (b) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against them; or
 - (c) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant them relief,

save that, in respect of a provision indemnifying a Director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such Director without the restrictions in Articles 33.1(a)(i), 33.1(a)(iii)(B) and 33.1(a)(iii)(C) applying;

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Company, or any associated company including (if they are a Director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

30.2 The Company shall (if determined by the Board and at the cost of the Company) effect and

maintain for each Director policies of insurance insuring each Director against risks in relation to their office as each Director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to them in respect of any negligence, default of duty or breach of trust of which they may be guilty in relation to the Company.

31 **LIEN**

31.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share.

31.2 The Company's Lien over a Share:

- (a) shall take priority over any third party's interest in that Share; and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part.

31.3 Subject to the provisions of this Article 31, if:

- (a) a notice complying with Article 31.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

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

31.4 A Lien Enforcement Notice:

- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the Share concerned;
- (c) must require payment of the sum payable within fourteen (14) days of the notice;
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

31.5 Where any Share is sold pursuant to this Article 31:

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

process leading to the sale.

- 31.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
 - (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.
- 31.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

32 CALL NOTICES

- 32.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.
- 32.2 A Call Notice:
- (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);
 - (b) shall state when and how any call to which it relates it is to be paid; and
 - (c) may permit or require the call to be paid by instalments.
- 32.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.
- 32.4 Before the Company has received any call due under a Call Notice the Directors may:
- (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the Call Notice, by a further notice

in writing to the Shareholder in respect of whose Shares the call is made.

- 32.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 32.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:
- (a) pay calls which are not the same; or
 - (b) pay calls at different times.
- 32.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 32.8 If the due date for payment of such a sum as referred to in Article 32.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 32.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 32.10 For the purposes of Article 32.9:
- (a) the **"Call Payment Date"** shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the **"Call Payment Date"** is that later date;
 - (b) the **"Relevant Rate"** shall be:
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent. a year,provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the

Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).

- 32.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 32.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

33 **FORFEITURE OF SHARES**

- 33.1 A notice of intended forfeiture:
 - (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
 - (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
 - (c) shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
 - (d) shall state how the payment is to be made; and
 - (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.
- 33.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 33.3 Subject to these Articles, the forfeiture of a Share extinguishes:
 - (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
 - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 33.4 Any Share which is forfeited in accordance with these Articles:
 - (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited;
 - (b) shall be deemed to be the property of the Company; and
 - (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 33.5 If a person's Shares have been forfeited then:
 - (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;

- (b) that person shall cease to be a Shareholder in respect of those Shares;
 - (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (d) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 33.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 33.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 33.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 33.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 33.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- (a) was, or would have become, payable; and
 - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

34 SURRENDER OF SHARES

- 34.1 A Shareholder shall be entitled to surrender any Share:
- (a) in respect of which the Directors issue a notice of intended forfeiture;

- (b) which the Directors forfeit; or
- (c) which has been forfeited.

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

- 34.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 34.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

35 **AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

- 35.1 The Board may, if authorised to do so by an ordinary resolution:
 - (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "**Shareholders Entitled**").

Article 36 of the Model Articles shall not apply to the Company.

- 35.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.
- 35.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 35.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 35.5 Subject to the Articles the Board may:
 - (a) apply Capitalised Sums in accordance with Articles 35.3 and 35.4 partly in one way and partly another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 35; and
 - (c) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 35.