

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

SETL LIMITED

Company number 11860439

(Adopted by a special resolution passed on 10 March 2022)

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1 Introduction

- 1.1 In these 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.
- 1.2 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) 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
 - (d) reference to the **"holders"** of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.
- 1.3 Where there is reference to Series A Shares or Non-Voting Series A Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as converted basis if the Conversion Ratio has been adjusted.
- 1.4 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 shall not apply to the Company.
- 1.5 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as given in the Act.

2 Definitions

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

"A Ordinary Shares"	means the A ordinary shares of £0.00001 each in the capital of the Company from time to time;
"Accepting Shareholder"	shall have the meaning given in Article 20.5;
"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);
"Actions"	shall have the meaning given in Article 6.3;
"Allocation Notice"	shall have the meaning given in Article 16.7(b);
"Anti-Dilution Shares"	shall have the meaning given in Article 10.1;
"Applicant"	shall have the meaning given in Article 16.7(b);
"Appointor"	shall have the meaning given in Article 25.1;
"Approved Offer"	shall have the meaning given in Article 20.2;
"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;
"Articles"	means these articles of association of the Company;
"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"	<p>in relation to any person means:</p> <p>(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</p>

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; and

(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 of £0.00001 each in the capital of the Company from time to time;

"Bad Leaver"

means a person who ceases to be an Employee as a consequence of:

(a) such person's resignation as an Employee except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect; or

(b) that person's dismissal as an Employee for cause, where **"cause"** shall mean:

(i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or

(ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996;

"bankruptcy"

includes individual insolvency proceedings in a jurisdiction other than England or Wales and Northern Ireland which have an effect similar to that of bankruptcy;

"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;

"Bonus Issue" or "Reorganisation"	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Series A Shareholders) or any consolidation or sub-division or redenomination or any repurchase or redemption of shares (other than Series A Shares or Non-Voting Series A Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 13.7;
"Business Day"	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
"C Ordinary Shares"	means the C ordinary shares of £0.00001 each in the capital of the Company from time to time;
"call"	has the meaning given in Article 35.1;
"Call Notice"	has the meaning given in Article 35.1;
"Call Payment Date"	has the meaning given in Article 35.10(a);
"Called Shareholder"	has the meaning given in Article 21.1;
"Called Shares"	has the meaning given in Article 21.2(a);
"Capitalised Sum"	has the meaning given in Article 38.1(b);
"Chairman of the Board"	has the meaning given in Article 29.17;
"Chairman of the Meeting"	has the meaning given in Article 22.15;
"Civil Partner"	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
"Company"	means SETL Limited;
"Company's Lien"	has the meaning given in Article 34.1;

"Condition"	has the meaning given in Article 9.1;
"Controlling Interest"	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;
"Conversion", "Convert" and "Converted"	have the meaning given in Article 9.1;
"Conversion Date"	has the meaning given in Article 9.2;
"Conversion Output Shares"	have the meaning given in Article 9.1;
"Conversion Ratio"	has the meaning given in Article 9.5;
"Conversion Share"	has the meaning given in Article 9.1;
"CPU"	means Computershare Limited incorporated and registered in England and Wales with company number 03015818 whose registered office is at The Pavilions, Bridgwater Road, Bristol, BS13 8AE;
"CTA 2010"	means the Corporation Tax Act 2010;
"D Ordinary Shares"	means the D ordinary shares of £0.00001 each in the capital of the Company from time to time;
"Date of Adoption"	means the date on which these Articles were adopted;
"Deferred Conversion Date"	means the date that the Employee B Ordinary Shares and/or the Employee C Ordinary Shares and/or the Employee D Ordinary Shares convert into Deferred Shares pursuant to Article 19.1;
"Deferred Shares"	means deferred shares of £ 0.00001 each in the capital of the Company from time to time;
"Director(s)"	means a director or directors of the Company from time to time and includes any person occupying the position of director, by whatever name called;
"distribution recipient"	has the meaning given in Article 4.8;
"document"	includes, unless specified, any document sent or supplied in electronic form;
"Drag Along Notice"	has the meaning given in Article 21.2;
"Drag Along Option"	has the meaning given in Article 21.1;

"Drag Documents"	has the meaning given in Article 21.6;
"Drag Completion Date"	has the meaning given in Article 21.6;
"Drag Consideration"	has the meaning given in Article 21.4;
"Drag Purchaser"	has the meaning given in Article 21.1;
"Effective Termination Date"	means the date on which the Employee's employment or consultancy terminates;
"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 individual who is employed by or who provides consultancy services to, the Company or any member of the Group;
"Employee B Ordinary Shares"	<p>in relation to an Employee means all B Ordinary Shares held by:</p> <ul style="list-style-type: none"> (a) the Employee in question; and (b) any Permitted Transferee of that Employee other than those B Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee;
"Employee B Ordinary Share Issues"	<p>means the issue of B Ordinary Shares to be made:</p> <ul style="list-style-type: none"> (a) on or around the Date of Adoption; and (b) on an ongoing basis, the amounts of such issues to be determined by the Remuneration Committee <p>in each case to certain employees or other officers of the Company and/or Group in respect of past services to the Group and as an incentivisation to remain employees of the Group in the future;</p>

"Employee C Ordinary Shares" in relation to an Employee means all C Ordinary Shares held by:

- (c) the Employee in question; and
- (d) any Permitted Transferee of that Employee other than those C Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee;

"Employee C Ordinary Share Issues" means the issue of C Ordinary Shares to be made:

- (a) on or around the Date of Adoption; and
- (b) on an ongoing basis, the amounts of such issues to be determined by the Remuneration Committee

in each case to certain employees or other officers of the Company and/or Group as an incentivisation to remain employees of the Group in the future;

"Employee D Ordinary Share Issues" means the issue of D Ordinary Shares to be made on an ongoing basis, to certain employees or other officers of the Company and/or Group as an incentivisation to remain employees of the Group in the future, the amounts of such issues to be determined by the Remuneration Committee;

"Employee D Ordinary Shares" in relation to an Employee means all D Ordinary Shares held by:

- (a) the Employee in question; and
- (b) any Permitted Transferee of that Employee other than those D Ordinary Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee,

"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 Securities"	has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;
"Equity Shares"	means the Shares other than the Deferred Shares;
"Exercising Investor"	means any Investor who exercises its rights to acquire Anti-Dilution Shares in accordance with Article 10.1;
"Exit"	means a Share Sale, an Asset Sale or an IPO;
"Expert Valuer"	is as determined in accordance with Article 17.1;
"Fair Value"	is as determined in accordance with Article 17.3;
"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"	has the meaning set out in section 390 of the Act;
"First Commencement Date"	<p>in respect of Employee B Ordinary Shares, means the earliest date on which the employment or consultancy of the relevant Employee commenced with the Company or any Group Member, or SETL Development Limited or SETL France S.A.; and</p> <p>in respect of Employee D Ordinary Shares, means the date on which the Employee D Ordinary Shares were issued and allotted to the relevant Employee;</p>

"Founders"	means Anthony Culligan, Nicholas Pennington, Peter Randall, Katherine Kennedy and Philippe Morel;
"Fractional Holders"	has the meaning given in Article 9.9;
"fully paid"	in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;
"Fund Manager"	means a person whose principal business is to make, manage or advise upon investments in securities;
"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;
"Holder"	in relation to shares means the person whose name is entered in the register of members as the holder of shares;
"Holding Company"	means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;
"Hurdle Amount"	means the point at which the holders of the D Ordinary Shares will share in the Surplus pursuant to Article 5, such amount to be set by the Board from time to time;
"instrument"	means a document in hard copy form;
"Interested Director"	has the meaning given in Article 30.5;
"Investor Director"	means a Director appointed by an Investor in accordance with Article 27.2;
"Investor Director Consent"	means the prior written consent of a majority of the Investor Directors;
"Investor Majority"	means the holders of at least 75% of Voting Shares from time to time;
"Investors"	means the Series A Investors and the Ordinary Investors and their Permitted Transferees;

"IPO"

means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"ITEPA"

means Income Tax (Earnings and Pensions) Act 2003;

"Leaver's Percentage"

means,

- (i) in relation to and for the purposes of determining the number of Employee B Ordinary Shares or Employee D Ordinary Shares that are required (pursuant to Article 19) to be converted into Deferred Shares as a result of a Shareholder ceasing to be an Employee within the period commencing on the First Commencement Date and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/36 \times 100) \times NM),$$

where NM = number of full calendar months from the First Commencement Date to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 37th month after the Commencement Date and thereafter; and

- (ii) in relation to and for the purposes of determining the number of Employee C Ordinary Shares that are required (pursuant to Article 19) to be converted into Deferred Shares as a result of a Shareholder ceasing to be an Employee within the period commencing on the Second Commencement Date and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/24 \times 100) \times NM),$$

- (ii) where NM = number of full calendar months from the Second Commencement Date to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 25th month after the Second Commencement Date and thereafter

"Lien Enforcement Notice"

has the meaning given in Article 34.3(a);

"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 (an **"Investment Fund"**) or is a nominee of that 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 Investment Fund managed or advised by that Fund Manager;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

"a Member of the same Group"

means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"Minority Shareholder"

means any Shareholder who holds Ordinary Shares equating to 6% or less of the Equity Shares in issue;

"NASDAQ"

means the NASDAQ Stock Market of the NASDAQ OMX Group Inc.;

"New Securities"	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 13.7) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;
"New Shareholder"	has the meaning given in Article 21.11;
"Non-Voting A Ordinary Shares"	means the non-voting A ordinary shares of £0.00001 each in the capital of the Company from time to time;
"Non-Voting Series A Shares"	means the non-voting series A shares of £0.00001 each in the capital of the Company from time to time;
"Offer Period"	has the meaning set out in Article 20.3;
"Ordinary Investors"	means any person who is listed as an Ordinary Investor in the Shareholders' Agreement or any Deed of Adherence (as defined in the Shareholders' Agreement) relating to the Shareholders' Agreement;
"Ordinary Shareholders"	means the holders from time to time of the Ordinary Shares (but excludes the Company holding Treasury Shares);
"Ordinary Shares"	means the A Ordinary Shares, the Non-Voting A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares;
"Ordinary Resolution"	has the meaning given in section 282 of the Act;
"Original Shareholder"	has the meaning set out in Article 15.1;
"paid"	means paid or credited as paid;
"Permitted Transfer"	means a transfer of Shares in accordance with Article 15;
"Permitted Transferee"	means, subject to the approval of the Board: - <ul style="list-style-type: none"> (a) in relation to a Shareholder who is an individual, any of his 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) means any Member of the same Group;
	(c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group; and
	(d) in relation to an Investor:
	(i) to any Member of the same Group;
	(ii) to any Member of the same Fund Group;
"Preference Amount"	means a price per share equal to the amount paid up or credited as paid up (including premium) for such share together with a sum equal to any Arrears;
"Primary Holder"	has the meaning given in Article 31.9;
"Privileged Relation"	in relation to a Shareholder who is an individual member or deceased or former member means a spouse; Civil Partner, child or grandchild (including step or adopted 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 the Board;
"Proposed Exit"	has the meaning given in Article 6.3;
"Proposed Purchaser"	means a 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 20.3;
"Proposed Sale Notice"	has the meaning given in Article 20.3;
"Proposed Sale Shares"	has the meaning given in Article 20.3;
"Proposed Seller"	means any person proposing to transfer any shares in the capital of the Company;
"Proposed Transfer"	has the meaning given in Article 20.1;
"proxy notice"	has the meaning given in Article 23.1;

"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"	means <ul style="list-style-type: none"> (a) an individual who is a member of the company, (b) a person authorised under section 323 (representation of corporations at meetings) to act as the representative of a corporation in relation to the meeting, or (c) a person appointed as proxy of a member in relation to a meeting of the Shareholders;
"Realisation Price"	means the value of each Ordinary Share (excluding Treasury Shares) in issue immediately prior to an IPO, determined by reference to the price per share at which Ordinary Shares are to be offered for sale, placed or otherwise marketed pursuant to such IPO;
"Relevant Interest"	has the meaning set out in Article 30.5;
"Relevant Rate"	has the meaning set out in Article 35.10(b);
"Restricted Shares"	has the meaning set out in Article 19.4;
"Sale Agreement"	has the meaning set out in Article 21.2(e);
"Sale Shares"	has the meaning set out in Article 16.2(a);
"Second Commencement Date"	means the date of issue of Employee C Ordinary Shares to an employee or consultant Shareholder;
"Seller"	has the meaning set out in Article 16.2;
"Series A Investors"	means any person who is listed as a Series A Investor in the Shareholders' Agreement or any Deed of Adherence (as defined in the Shareholders' Agreement) relating to the Shareholders' Agreement;
"Series A Majority"	means the holders of at least 75% of Series A Shares and Non-Voting Series A Shares (as if for these purposes they constitute a single class) from time to time;
"Series A Majority Consent"	means the prior written consent of the Series A Majority;

"Series A Shareholders"	means the holders of the Series A Shares and the holders of Non-Voting Series A Shares (but excludes the Company holding Treasury Shares);
"Series A Shares"	means the series A shares of £0.00001 each in the capital of the Company from time to time;
"Shareholder"	means any person who is the holder of any Shares (but excludes the Company holding Treasury Shares);
"Shareholders' Agreement"	means the shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company and the Investors;
"Shares"	means the A Ordinary Shares, Non-Voting A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, Deferred Shares, Series A Shares and the Non-Voting Series A Shares from time to time;
"Share Sale"	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
"Shareholders Entitled"	has the meaning given in Article 38.1(b);
"Special Resolution"	has the meaning given in section 283 of the Act;
"Specified Price"	has the meaning given in Article 20.7(a);
"Starting Price"	£0.059490;
"Subscription Agreements"	means the subscription agreements dated on or around the Date of Adoption between the Company and each of the Investors and Founders;
"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"	have the respective meanings set out in sections 1159 and 1162 of the Act;
"Supplemental Consideration"	shall have the meaning given in Article 20.7(a);
"Surplus"	shall have the meaning given in Article 5;

"Transfer Notice"	shall have the meaning given in Article 16.2;
"Transfer Price"	shall have the meaning given in Article 16.2;
"Transmittee"	means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;
"Treasury Shares"	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;
"Trustees"	in relation to a Shareholder means the trustee or the trustees of a Family Trust;
"Unvested"	means those Employee B Ordinary Shares and Employee C Ordinary Shares or D Ordinary Shares which (based on the time passed from the First Commencement Date or the Second Commencement Date as the case may be) are still capable of conversion into Deferred Shares under Article 19;
"Voting Shares"	means the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the Series A Shares from time to time;
"Warrants"	means the warrants issued by the Company on or around the Date of Adoption to certain Series A Shareholders pursuant to warrant agreements executed by the Company and those Series A Shareholders; and
"writing"	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

3 **Share Capital**

- 3.1 The liability of each Shareholder is limited to the amount, if any, unpaid on the Shares held by them.
- 3.2 Subject to the Articles and the terms of any Shareholders' Agreement, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by Ordinary Resolution.
- 3.3 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.

- 3.4 Except as otherwise provided in these Articles, the Series A Shares, Non-Voting Series A Shares, the A Ordinary Shares, the Non-Voting A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares and D Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.5 Subject to the Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.
- 3.6 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- (a) receive notice of or to attend or vote at any general meeting of the Company;
 - (b) receive or vote on any proposed written resolution; and
 - (c) receive a dividend or other distribution,
- save as otherwise permitted by section 726(4) of the Act.
- 3.7 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the Shareholder's absolute ownership of it and all the rights attaching to it.
- 3.8 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholders holds. Every certificate must specify:
- (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares;
 - (c) the amount paid up on them; and
 - (d) any distinguishing numbers assigned to them.
- No certificate may be issued in respect of Shares of more than one class. If more than one person holds a Share, only one certificate may be issued in respect of it. Certificates must have affixed to them the Company's seal or be otherwise executed in accordance with the Companies Acts.
- 3.9 If a certificate issued in respect of a Shareholder's Shares is damaged, defaced, said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares. A Shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate of separate certificates;
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

- (c) must comply with such conditions as to evidence, indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine.

3.10 The Company shall be entitled to retain any share certificate(s) relating to Employee B Ordinary Shares, Employee C Ordinary Shares and Employee D Ordinary Shares which are Unvested.

4 Dividends

4.1 In respect of any Financial Year, subject to Article 5 and Article 6.2, the Company's Available Profits will be applied as set out in this Article 4.

4.2 Any Available Profits which the Company may determine by (i) Ordinary Resolution, and (ii) until the third anniversary of the Date of Adoption, Series A Majority Consent, to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if the Equity Shares constituted one class of share) pro rata to their respective holdings of Equity Shares.

4.3 Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period and, until the third anniversary of the Date of Adoption, if approved by Series A Majority Consent.

4.4 All dividends are expressed net and shall be paid in cash and by reference to each Shareholder's holding of Shares on the date of the decision to declare or pay it.

4.5 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

4.6 No dividend may be declared or paid unless it is in accordance with these Articles and the Shareholders' respective rights.

4.7 Where a dividend or other sum which is a distribution is payable in respect of Shares, it must be paid by one or more of the following means:

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

4.8 In these Articles "**the distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

- (a) the holder of the Share; or

- (b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or
 - (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittee.
- 4.9 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:
 - (a) the terms on which the Share was issued, or
 - (b) the provisions of another agreement between the holder of that Share and the Company.
- 4.10 All dividends or other sums which are payable in respect of Shares and are unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it. If twelve years have passed from the date on which a dividend or other sum became due for payment and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.
- 4.11 Subject to the terms of issue of the Share in question, the Company may, by Ordinary Resolution on the recommendation of the Directors and with Series A Majority Consent, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company). For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
 - (a) fixing the value of any assets;
 - (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.
- 4.12 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if (a) the Share has more than one holder, or (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.
- 4.13 On an IPO, if the Company has insufficient Available Profits for distribution to pay any Arrears, the Company shall, by way of special dividend and in lieu of the accrued dividends the Company is prohibited from paying, allot to each holder of Shares by way of capitalisation of reserves such number of Ordinary Shares (disregarding any fraction of a share) as shall have an aggregate Realisation Price equal to the unpaid dividend.
- 4.14 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.

4.15 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sum unpaid on existing Shares held by the persons entitled to such capitalized sum.

4.16 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:

(c) the fact and sum of any such deduction;

(d) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

(e) how the money deducted has been applied.

5 Return of Capital

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 ("**Surplus**") shall be applied as follows (to the extent that the Company is lawfully permitted to do so):

(i) firstly, in paying to each of the Series A Shareholders, in priority to any other classes of Shares, an amount per share held equal to the greater of (i) the Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Preference Amount, the remaining surplus assets shall be distributed to the Series A Shareholders pro rata to their respective holdings of Series A Shares and/or Non-Voting Series A Shares), and (ii) such amount per share as would have been payable had all Series A Shares and/or Non-Voting Series A Shares been converted into A Ordinary Shares or Non-Voting A Ordinary Shares pursuant to Article 9.1 immediately prior to such liquidation or return of capital; and

(ii) secondly, in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and

(iii) thirdly, the balance of the surplus assets (if any) up to the Hurdle Amount shall be distributed among the holders of Ordinary Shares (excluding the D Ordinary Shares) pro rata to their respective holdings of Ordinary Shares (excluding the

D Ordinary Shares) and any amount exceeding the Hurdle Amount shall be distributed to the holders of the Ordinary Shares (including the D Ordinary Shares) pro rata to their respective holdings of Ordinary Shares (including the D Ordinary Shares) .

6 Exit provisions

6.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5; and
- (b) the Shareholders shall take any action required by a Series A Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 5.

6.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by a Series A Majority (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 applies.

6.3 In the event of an Exit approved by the Board, a Series A Majority and an Investor Majority in accordance with the terms of these Articles and the Shareholders' Agreement (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable pre-emption rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

7 Votes in general meeting and written resolutions

7.1 The Series A Shares shall confer on each holder of Series A 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 Non-Voting Series A Shares and the Non-Voting A Ordinary 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 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.4 The Deferred Shares (if any) 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.
- 7.5 Where Shares confer a right to vote, on a show of hands each holder of such Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 7.6 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 and to these Articles and the Shareholders' Agreement, by Ordinary Resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

9 Conversion of Series A Shares and Non-Voting Series A Shares

- 9.1 Any holder of Series A Shares and Non-Voting Series A Shares (together the "**Conversion Shares**") shall be entitled, by notice in writing to the Company, to require conversion ("**Conversion**", and "**Convert**" and "**Converted**") shall be construed accordingly) into A Ordinary Shares or Non-Voting A Ordinary Shares ("**Conversion Output Shares**") of all of the fully paid Conversion Shares held by them at any time and those Conversion Shares shall

Convert automatically on the date of such notice, provided that the holder may in such notice, state that such Conversion is conditional upon the occurrence of one or more events (the "**Conditions**") and that those Conversion Shares shall Convert automatically upon satisfaction or waiver, by the relevant holder, of the Conditions.

9.2 All of the fully paid Conversion Shares shall automatically Convert:

- (a) on the date of a notice given by the Series A Majority where there are no Conditions;
- (b) where there are Conditions, on the satisfaction or waiver by the relevant holder of the Conditions;
- (c) immediately upon the occurrence of an IPO,

(being in each case the "**Conversion Date**")

9.3 In the case of (i) Articles 9.2(a) and 9.2(b), not more than five Business Days after the Conversion Date or (ii) in the case of Article 9.2(c), at least five Business Days prior to the occurrence of the IPO, each holder of the relevant Conversion Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Conversion Shares being converted to the Company at its registered office for the time being.

9.4 Conversion on the occurrence of an IPO will be effective only immediately prior to and conditional upon such IPO (and "**Conversion Date**" shall be construed accordingly) and, if such IPO does not become effective or does not take place, such conversion shall be deemed not to have occurred. In the event of a Conversion under Article 9.1, if the Conditions have not been satisfied or waived by the relevant holder by the long stop date specified by the holder in the Conversion notice issued pursuant to Article 9.1, such Conversion shall be deemed not to have occurred.

9.5 On the Conversion Date, the relevant Conversion Shares shall without further authority than is contained in these Articles stand Converted, subject to Article 9.8, on the basis of one Conversion Output Share for each Conversion Share held (the "**Conversion Ratio**"), and the Conversion Output Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued A Ordinary Shares or Non-Voting A Ordinary Shares, as appropriate.

9.6 The Company shall on the Conversion Date enter the holder of the Converted Conversion Shares on the register of members of the Company as the holder of the appropriate number of A Ordinary Shares or Non-Voting A Ordinary Shares, as the case may be and, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Conversion Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Conversion Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Conversion Output Shares.

9.7 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to holders of the Conversion Shares falling to be converted a dividend equal to all Arrears and accruals of dividends in relation to those Conversion Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such Arrears and accruals of dividends in full then it will pay the same to the

extent that it is lawfully able to do so and any Arrears and accruals of dividends that remain outstanding shall continue to be a debt due from and immediately payable by the Company.

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

- (a) if Conversion Shares remain capable of being converted into new Conversion Output Shares and there is a consolidation and/or sub-division of any Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Series A Majority Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;
- (b) if Conversion Shares remain capable of being converted into Conversion Output Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Series A Majority Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

9.9 If any Series A Shareholder becomes entitled to fractions of a Conversion Output Share as a result of conversion ("**Fractional Holders**"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the Chairman of the Board or, failing him, the Company secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

9.10 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with Article 9.8, or if so requested by a Series A Majority, the Board shall refer the matter to the Auditors for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.

10 **Anti- Dilution protection**

10.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Series A Majority shall have specifically waived the rights of all of Series A Shareholders, issue to each Series A Shareholder (the "**Exercising Investor**") a number of new A Ordinary Shares (or, if so requested by the relevant Series A Shareholder, Non-Voting A Ordinary Shares) determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 10.3 (the "**Anti-Dilution Shares**"):

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

Where:

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

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

SIP = Starting Price

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

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

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

Z = the number of Series A Shares and Non-Voting Series A Shares held by the Exercising Investor prior to the Qualifying Issue.

10.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by with Series A Majority Consent) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 10.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 10.1 or this Article 10.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and
- (b) subject to the payment of any cash payable pursuant to Article 10.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing A Ordinary Shares, or Non-Voting A Ordinary Shares, as the case may be, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to Article 10.2(a).

10.3 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Series A Majority within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Series A

Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

- 10.4 For the purposes of this Article 10 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

11 Deferred Shares

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

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

- (a) appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s); and/or
- (b) receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
- (c) give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
- (d) retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.

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

12 Variation of rights

- 12.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent. in nominal value of the issued shares of that class save that:

- (a) the special rights attaching to the Series A Shares or the Non-Voting Series A Shares may only be varied or abrogated with the prior written consent of the holders of 90% of the Series A Shares and the Non-Voting Series A Shares (as if for these purposes they constitute a single class); and
- (b) any special rights attaching to the A Ordinary Shares or the Non-Voting A Ordinary Shares may only be varied or abrogated with the prior written consent of the holders of 75% of the A Ordinary Shares and the Non-Voting A Ordinary Shares (as if for these purposes they constitute a single class).

13 Allotment of new shares or other securities: pre-emption

13.1 Subject to the remaining provisions of this Article 13 and the Shareholders' Agreement, 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) allot Shares; or
- (b) grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

- (c) this authority shall be limited to a maximum nominal amount of £2,500;
- (d) this authority shall only apply insofar as the Company has not by resolution waived or revoked it; and
- (e) this authority may only be exercised for a period of five 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 addition to all subsisting authorities to the extent unused.

13.2 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.

13.3 Unless:

- (a) otherwise agreed by Special Resolution and Series A Majority Consent; or
- (b) the allotment results in an increase of less than 5% to the Equity Shares in issue within any 12 month period; or
- (c) the allotment is covered by Article 13.7 below,

if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares (as if the Equity Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:

- (d) 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**") and give details of the number and subscription price of the New Securities; and

- (e) may stipulate that any Subscriber 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 for which they wish to subscribe.
- 13.4 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 Equity 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 him).
- 13.5 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, subject to Article 13.6, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 13.6 Subject to the requirements of Articles 13.3 to 13.5 (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 any new shareholder other than a Minority Shareholder, signs a deed of adherence to the Shareholders' Agreement.
- 13.7 The provisions of Articles 13.3 to 13.6 (inclusive) shall not apply to:
- (a) New Securities issued pursuant to any of the following, up to a maximum aggregate amount as set out in the Shareholders' Agreement:
 - (i) Employee B Ordinary Share Issues;
 - (ii) Employee C Ordinary Share Issues; or
 - (iii) Employee D Ordinary Share Issues;
 - (b) New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to the Anti-Dilution Shares;
 - (c) New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority and a Series A Majority;
 - (d) New Securities issued pursuant to the Warrants;
 - (e) New Securities issued as a result of a bonus issue of shares which has been approved in writing by an Investor Majority and a Series A Majority; or
 - (f) Shares or options for Shares issued or granted to pursuant to and in accordance with the terms of the Subscriptions Agreements.
- 13.8 Any New Securities 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.

13.9 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company, if so required by the Company.

14 Transfers of Shares – general

14.1 In Articles 14 to 22 inclusive, reference to the transfer of a Share includes the transfer, sale, or assignment of an 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.

14.2 No Share may be transferred unless the transfer is made in accordance with these Articles and the Shareholders' Agreement. Subject to these Articles:

- (a) no fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share;
- (b) the Company may retain any instrument of transfer which is registered; and
- (c) the transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.

14.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles and the Shareholders' Agreement, he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.

14.4 Any transfer of a Share by way of sale which is required to be made under Articles 18 to 21 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

14.5 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 prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
- (c) it is a transfer of a Share which is not fully paid and is either to a person of whom the Directors do not approve or is a Share on which 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.

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.

- 14.6 The Directors shall (unless the terms of any shareholders' agreement otherwise provide), as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the any transferee, who is not a Minority Shareholder (to the extent they are not already a party) to execute and deliver to the Company a deed agreeing to be bound by the terms of the Shareholders' Agreement or any 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 14.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

- 14.7 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 that information and evidence 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 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, at the election of the relevant Investor, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
- (b) the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

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

- 14.8 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, 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.

14.9 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 these Articles, will be treated as having specified that:

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board and the Seller, or, failing agreement within five 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 16.2(d)); and
- (c) the Seller wishes to transfer all of the Shares held by it.

14.10 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.

15 Permitted Transfers

15.1 A Shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.

15.2 Shares previously transferred as permitted by Article 15.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

15.3 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.

15.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

15.5 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 five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same 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.

- 15.6 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.
- 15.7 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 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
 - (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.
- 15.8 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (and may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board) to have given a Transfer Notice in respect of such Shares.
- 15.9 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 he must, within 15 Business Days of so ceasing execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, failing which he shall be deemed to have given a Transfer Notice.
- 15.10 On the death (subject to Article 15.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so, directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 15.11 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board and Series A Majority Consent.
- 16 Transfers of Shares subject to pre-emption rights**
- 16.1 Save where the provisions of Articles 15 and 21 apply, the provisions of the Shareholders' Agreement provide otherwise, or with the consent of holders of 75% of the Equity Shares, any

transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 16.

16.2 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 of Shares which he wishes to transfer (the **"Sale Shares"**);
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- (c) the price at which he wishes to transfer the Sale Shares; and
- (d) whether the Transfer Notice is conditional on all or a specific number of the 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. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. 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.

16.3 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

16.4 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 agreed, the determination of the Transfer Price under Article 17,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 16.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

16.5 If the Sale Shares are Equity Shares, the Company shall offer them to the holders of Equity Shares pro rata to their existing holdings of Shares.

16.6 Transfers: Offer

- (a) The Board shall offer the Sale Shares pursuant to Article 16.5 to all holders of Equity Shares 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 **"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 16.6 will be conditional on the fulfilment of the Minimum Transfer Condition.

- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his 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 he has stated he is willing to buy.
- (d) If, at the end of the 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 dealt with in accordance with Article 16.7(e).

16.7 Completion of transfer of Sale Shares

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 16.6 stating the condition has not been met and that clause 16.7(e) shall apply.
- (b) If the Transfer Notice does not include a Minimum Transfer Condition, or the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares, the Board shall, when no further offers are required to be made under Article 16.6 and once the requirements of Article 20 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 16.7(c):
 - (i) the Chairman of the Board or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (ii) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (iii) receive the Transfer Price and give a good discharge for it; and
 - (iv) (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
 - (v) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his 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 or Article 16.7(a) applies, then, subject to Article 16.7(f), the Seller may, within eight weeks after service of the relevant notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price provided always that if Article 16.7(a) applies, the Seller must first allocate those Shares accepted by Continuing Shareholders under Article 16.7 to those Continuing Shareholders and may only sell the remaining number of the Sale Shares specified in the Minimum Transfer Condition to a third party.
- (f) The right of the Seller to transfer Shares under Article 16.7(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 of the Company 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 him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

16.8 Any Sale Shares offered under this Article 16 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 16.

17 Valuation of Shares

17.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 14.9 or 16.2 or otherwise then, on the date of failing agreement, the Board shall either:

- (a) appoint an expert valuer in accordance with Article 17.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or
- (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

17.2 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.

17.3 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.

17.4 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.

17.5 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.

17.6 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).

17.7 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.

17.8 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 five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

17.9 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 Sale Price 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.

18 **Compulsory transfers- general**

18.1 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.

- 18.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (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.
- 18.3 If either requirement in this Article 18.2 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.
- 18.4 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 18.5 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 and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This Article 18.5 shall not apply to a member that is an Investor.
- 18.6 Any Transfer Notice deemed to have been given under this Article 18 may not be withdrawn without the consent of the Board and the Series A Majority.

19 **Departing employees**

Deferred Shares

- 19.1 Unless the Board determines that this Article 19.1 shall not apply, if a Shareholder ceases to be an Employee by reason of being a Bad Leaver, the Leaver's Percentage of the Employee B Ordinary Shares, the Leaver's Percentage of the Employee C Ordinary Shares and the Leaver's Percentage of the Employee D Ordinary Shares relating to such Shareholder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each B Ordinary Share or C Ordinary Share or D Ordinary Share (as the case may be) held by that Employee) on the Effective Termination Date (rounded down to the nearest whole share).
- 19.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Shareholder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to

him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining B Ordinary Shares and/or C Ordinary Shares and/or D Ordinary Shares.

Suspension of voting rights

- 19.3 All voting rights attached to Employee B Ordinary Shares and/or Employee C Ordinary Shares and/or Employee D Ordinary Shares held by a Shareholder or by any of their Permitted Transferees (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board notifies him otherwise.
- 19.4 Any Employee B Ordinary Shares and/or any Employee C Ordinary Shares whose voting rights are suspended pursuant to Article 19.3 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 19.3 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares 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.

20 **Mandatory Offer on a Change of Control**

- 20.1 Except in the case of Permitted Transfers and transfers pursuant to Article 18, after going through the pre-emption procedure in Article 16, the provisions of Article 20.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) (i) acquiring a Controlling Interest in the Company or (ii) 35% or more of the entire issued share capital of the Company.
- 20.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer to any Shareholders who have not taken up their pre-emptive rights under Article 16 to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Transfer Price specified or determined in accordance with Article 16 and the Specified Price (as defined in Article 20.7), which is:
- (a) open for acceptance by all the Shareholders for a period of at least 15 Business Days;
 - (b) made on the basis that the Proceeds of Sale will be allocated and paid in accordance with Article 6;
 - (c) made on terms that the sale and purchase of shares in respect of which the offer is accepted will be completed at the same time;
 - (d) made on terms that provides a price per Equity Shares at least equal to any Equity Shares of the same class acquired by the offeror or any persons acting in concert with the offeror in the preceding 12 months together with a cash amount equal to the relevant proportion of any other consideration (in cash or otherwise) 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 such shares by such offeror; and

- (e) made on terms that any Series A Investors shall not be required to give any warranties or indemnities in connection with the sale of its shares save in respect of its title to such shares and its capacity to sell such shares;

(an offer made on such terms being an **"Approved Offer"**).

20.3 The Approved Offer must be given by written notice (a **"Proposed Sale Notice"**) at least 15 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"**).

20.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.

20.5 If the Approved 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.

20.6 The Proposed Transfer is subject to the pre-emption provisions of Article 16, but the purchase of the Accepting Shareholders' shares shall not be subject to Article 16.

20.7 For the purpose of this Article:

- (a) 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 equal to the Relevant Sum, as defined in Article 20.7(b), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the **"Supplemental Consideration"**) provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of Articles 5 and 6;

- (b) $\text{Relevant Sum} = C \div A$

where:

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

C = the Supplemental Consideration.

21 Drag-along

- 21.1 If an Approved Offer has been made by a Proposed Purchaser and the holders of 90 per cent of the Series A Shares and the Non-Voting Series A Shares (as if for these purposes they constitute a single class) (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to such Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and together the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article.
- 21.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag 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 (whether in cash or otherwise) 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 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 (the "**Sale Agreement**"),
- (and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 21.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 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.
- 21.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 (the "**Drag Consideration**").
- 21.5 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 his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.

- 21.6 Within three 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 "**Drag Completion Date**"), each Called Shareholder shall deliver:
- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "**Drag Documents**").
- 21.7 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 21.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 21 in respect of their Shares.
- 21.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 21 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 21.10 Any transfer of Shares to a Drag Purchaser 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 16.
- 21.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant 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 Drag Purchaser 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.

22 General Meetings

- 22.1 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 for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 22.2 The provisions of section 318 of the Act shall apply to the Company. If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting, must adjourn it unless the Qualifying Person present holds or represents the holder of at least 75 per cent in nominal value of the Equity 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 as a general meeting of the Company duly convened and held.
- 22.3 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- (a) The meeting consents to an adjournment, or
 - (b) It appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting to ensure that the business of the meeting is conducted in an orderly manner.
- 22.4 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 22.5 When adjourning a general meeting, the Chairman of the Meeting must:
- (a) Either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors and
 - (b) Have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 22.6 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 22.7 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
- 22.8 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 22.9 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 22.10 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 22.11 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 22.12 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 22.13 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the general 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 of the Meeting.
- 22.14 If the Directors have appointed a Chairman of the Meeting, the Chairman of the Meeting shall chair general meetings if present and willing to do so. If the Directors have not appointed a Chairman of the Meeting, or if the Chairman of the Meeting is unwilling to chair the meeting or is not present within ten minutes of the time at which the meeting was due to start, the Directors present, or (if no Directors are present), the meeting, must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 22.15 The person chairing a meeting of the Shareholders in accordance with this Article 22 is referred to as **"the Chairman of the Meeting"**.
- 22.16 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 22.17 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the Chairman of the Meeting, whose decision is final.
- 22.18 A poll on a resolution may be demanded:
 - (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 22.19 A poll may be demanded by:
 - (a) the Chairman of the Meeting;
 - (b) the Directors;

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

22.20 A demand for a poll may be withdrawn if:

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

22.21 If a demand for a poll is withdrawn under Article 22.20, 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.

22.22 Polls must be taken in such manner as the Chairman of the Meeting directs. A poll demanded on the election of a Chairman of the Meeting 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 of the Meeting 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.

22.23 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 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

22.24 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.

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

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine); and
- (b) the proposed amendment does not alter the scope of the resolution.

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

- (a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

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

23 Proxies

- 23.1 Proxies may only validly be appointed by a notice in writing (a **"proxy notice"**) which:
- (a) states the name and address of the shareholder appointing the proxy;
 - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Shareholder appointing the proxy and accompanied by the 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);
 - (d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 23.2 The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 23.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 23.4 Unless a proxy notice indicated otherwise, it must be treated as:
- (a) allowing the person appointed under it as proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 23.5 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 23.6 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 23.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 23.8 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- 23.9 The instrument appointing a proxy and any authority under which it is signed 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 of the Meeting 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 of the Meeting or to the Company secretary or to any Director, or at the time and place at which the poll is held to the Chairman of the Meeting 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.

24 Directors' borrowing powers

Subject to the terms of the Shareholders' Agreement, the Directors may, where required, 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 or obligation of the Company or any third party.

25 Alternate Directors

25.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director ("**Appointor**") may appoint any Director or any other person as he thinks fit to be his alternate Director (subject to the identity of such person being acceptable to the Board) 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.

25.2 The appointment of an alternate Director shall not require approval by a resolution of the Directors.

25.3 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.

25.4 The notice must identify the proposed alternate and 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.

25.5 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 resolutions, as the alternate's Appointor.

25.6 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 his Appointor is a member.

25.7 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 his Appointor is an Eligible Director in relation to that decision but does not participate).

No alternate may be counted as more than one Director for such purposes.

25.8 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

25.9 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.

25.10 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.

26 **Number of Directors**

Unless and until the Company shall otherwise determine by Ordinary Resolution, the number of Directors shall not be less than two.

27 **Appointment of Directors**

27.1 Subject to the terms of the Shareholders' Agreement, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by:

- (a) Ordinary Resolution; or
- (b) by a decision of the Directors.

- 27.2 In addition to the powers of appointment under Article 27.1, each Investor (for so long as it and its Permitted Transferees holds not less than 10 per cent of the Equity Shares in issue or in the case of CPU for so long as it and its Permitted Transferees holds not less than 5 per cent of the Equity Shares in issue) shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. Each Investor who has appointed a Director shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 27.3 An appointment or removal of a Director under Article 27.2 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.
- 27.4 Each Investor Director shall be entitled at his request to be appointed to the remuneration committee of the Board established from time to time.

28 Termination of Director's Appointment

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (f) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (g) in the case of Directors other than an Investor Director, if a majority of his co-Directors serve notice on him in writing removing him from office.

29 Directors' Powers and Responsibilities and Proceedings of Directors

- 29.1 Subject to the Articles and the terms of the Shareholders' Agreement, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- 29.2 Subject to the Articles and the terms of the Shareholders' Agreement, the Directors may delegate any of the powers which are conferred on them under the Articles:
- (a) to any person or committee, they think fit;

- (b) by any means (including by power of attorney) as they think fit;
 - (c) to any extent they think fit;
 - (d) in relation to any matters or territories they think fit; and
 - (e) on any terms and conditions, they think fit.
- 29.3 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.
- 29.4 The quorum for Directors' meetings shall be two Directors. If such 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 shall stand adjourned to the same day in the next week at the same time and place or such time and place as determined by the Directors present at such meeting. At a Directors' meeting unless a quorum is participating, no proposal is to be voted on except a proposal to call another meeting.
- 29.5 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 he is 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 only one Director is physically present.
- 29.6 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to appoint further Directors or to call a general meeting so as to enable the Shareholders to appoint further Directors.
- 29.7 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting when:
- (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of business of the meeting.
- 29.8 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 29.9 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number are assembled. In the absence of a majority the location of the Chairman of the Board (defined below) shall be deemed to be the place of the meeting.
- 29.10 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.
- 29.11 Notice of any Directors' meeting must indicate:
- (a) its proposed date and time;

- (b) where it is to take place; and
- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 29.12 Notice of a Directors' meeting must be given to each Director but need not be in writing.
- 29.13 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 given time before or after the date on which the meeting is held. Where such notice is given after the meeting, that does not affect the validity of the meeting or any business conducted at it.
- 29.14 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 29.15 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may be, before the conclusion of the meeting, referred to the Chairman of the Board whose ruling in relation to any Director other than the Chairman of the Board is final and conclusive. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman of the Board, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman of the Board is not counted as participating in the meeting (or part meeting) for voting or quorum purposes.
- 29.16 Questions arising at any meeting of the Directors shall be decided upon by a majority of votes at a meeting or in accordance with Article 29.19 below. In the case of any equality of votes, the Chairman of the Board shall have a second or casting vote, provided that the Chairman of the Board shall not have a casting vote on a vote on a particular matter upon which he is restricted from voting.
- 29.17 The Directors may appoint a Director to chair their meetings. The person so appointed for the time being is known as the **"Chairman of the Board"**. The Directors may terminate the chairman's appointment at any time.
- 29.18 If the Chairman of the Board has not been appointed within three months of the Date of Adoption or within three months of the resignation of a chairman, the Board shall be entitled to appoint a Chairman of the Board, whether from the existing members of the Board or by the appointment of a new Director, by notice in writing addressed to the Company.
- 29.19 A decision of the Directors may take the form of a resolution in writing, where a majority of Eligible Directors have signed one or more copies of it, or to which a majority of Eligible Directors have otherwise indicated agreement in writing (including confirmation given by electronic means). A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such meeting.

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

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

30 **Directors' Interests**

Specific interests of a Director

30.1 Subject to the provisions of the Act and the terms of any shareholders' agreement in force from time to time, and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) 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 him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or any 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 him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (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 an Investor Director

- 30.2 In addition to the provisions of Article 30.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
- (a) an Investor;
 - (b) a Fund Manager which advises or manages an Investor;
 - (c) any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
 - (d) another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

Interests of which a Director is not aware

- 30.3 For the purposes of this Article 30, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 30.4 In any situation permitted by this Article 30 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

- 30.5 Subject to Article 30.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:
- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or

- (iii) restricting the application of the provisions in Articles 30.7 and 30.8, so far as is permitted by law, in respect of such Interested Director;
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

subject to Article 31.7, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 30.

Terms and conditions of Board authorisation for an Investor Director

- 30.6 Notwithstanding the other provisions of this Article 30, it shall not be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 30.8.

Director's duty of confidentiality to a person other than the Company

- 30.7 Subject to Article 30.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 30), if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
 - (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 30.8 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 30.7 shall apply only if the conflict arises out of a matter which falls within Article 30.1 or Article 30.2 or has been authorised under section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest

- 30.9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
 - (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

- 30.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 30.1 or Article 30.2 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 30.1(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 his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

- 30.11 Subject to section 239 of the Act and the terms of the Shareholders' Agreement, 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 30.
- 30.12 For the purposes of this Article 30:
- (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.

31 Notices

- 31.1 Subject to the requirements set out in the Act, any notice given, or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:
- (a) in hard copy form;
 - (b) in electronic form (but not by facsimile); or
 - (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),
 - (d) or partly by one of these means and partly by another of these means.

- 31.2 Notices shall be given, and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 31.

Notices in hard copy form

- 31.3 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):
- (a) to the Company or any other company at its registered office; or
 - (b) to the address notified to or by the Company for that purpose; or
 - (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
 - (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or
 - (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
 - (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company.

- 31.4 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if delivered, at the time of delivery;
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

- 31.5 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

- (a) if sent by email, be sent by the relevant form of communication to the last address known to the Company for that purpose;
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 31.3; or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (i) on its website from time to time; or
 - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.

31.6 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if sent by email (in accordance with Article 31.5(a) above), on the date on which it was sent;
- (b) if posted in an electronic form, on the date on which it was posted;
- (c) if sent by any other electronic means as referred to in Article 31.5(c), on the date on which it was delivered.

31.7 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

Notice by means of a website

31.8 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

31.9 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

31.10 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

32 Indemnities and Insurance

32.1 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 Company's auditors) 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 him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no current or former Director or current or former director of 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 he is 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 him; 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 him relief,

(iv) 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 32.1(a)(i), 32.1(a)(ii), and 32.1(a)(iii)(C) applying;

(b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is 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.

32.2 The Company shall (at the cost of the Company) effect and maintain for each current or former Director or current or former director of any associated company policies of insurance insuring each such director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

33 **Secretary**

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

34 **Lien**

34.1 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.

34.2 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.

34.3 Subject to the provisions of this Article 36, if:

- (a) a notice complying with Article 36.4 (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.

34.4 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 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.

34.5 Where any Share is sold pursuant to this Article 36:

- (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.

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

34.7 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.

35 Call Notices

35.1 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.

35.2 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.

35.3 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.

35.4 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.

35.5 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.

35.6 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.

35.7 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.

35.8 If the due date for payment of such a sum as referred to in Article 35.7 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.

35.9 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).

35.10 For the purposes of Article 35.9:

- (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).

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

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

36 Forfeiture of Shares

36.1 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.
- 36.2 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.
- 36.3 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.
- 36.4 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.
- 36.5 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 these 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.
- 36.6 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.

- 36.7 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.
- 36.8 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 these Articles or by law, constitutes a good title to the Share.
- 36.9 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.
- 36.10 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.

37 Surrender of Shares

- 37.1 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.

- 37.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 37.3 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.

38 Authority to capitalise and appropriation of capitalised sums

- 38.1 Subject to the terms of the Shareholders' Agreement, the Board may, if authorised to do so by an Ordinary Resolution (with Series A Majority Consent):
- (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"**).

38.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.

38.3 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.

38.4 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.

38.5 Subject to these Articles the Board may:

- (a) apply Capitalised Sums in accordance with Articles 38.3 and 38.4 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 38; 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 38.

39 **No right to inspect accounts and other records**

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