

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**ATTERLEY.COM HOLDINGS LIMITED**

**Registered No. SC548132**

**Incorporated in Scotland on 19 October 2016**

**Adopted on 22 JUNE 2020**



## CONTENTS

CONSTITUTION .....	2
INTERPRETATION.....	2
SHARE CAPITAL.....	2
RIGHTS ATTACHING TO THE SHARES.....	3
ISSUES OF SHARES .....	10
INTERESTS IN SHARES AND CERTIFICATES .....	12
LIEN.....	13
TRANSFER OF SHARES .....	13
GENERAL MEETINGS AND SHAREHOLDER RESOLUTIONS.....	13
DIRECTORS.....	14
BORROWING AND OTHER POWERS .....	18
ALTERNATE DIRECTORS.....	18
INDEMNITY AND INSURANCE .....	19
PERMITTED TRANSFERS.....	20
PRE-EMPTIVE TRANSFERS .....	21
COMPULSORY TRANSFERS .....	23
FAIR PRICE .....	25
DRAG ALONG.....	26
TAG ALONG.....	27
A DIRECTOR & OBSERVER.....	28
FOUNDER DIRECTORS.....	29
B DIRECTOR & OBSERVER.....	29
ELECTRONIC COMMUNICATIONS.....	32
SCHEDULE DEFINITIONS AND INTERPRETATION.....	33

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**ARTICLES OF ASSOCIATION**  
**of**  
**ATTERLEY.COM HOLDINGS LIMITED**  
**(the "Company")**  
**(Registered Number SC548132)**

**CONSTITUTION**

1. The Company is a private company within the meaning of section 4(1) of the Companies Act 2006 (the "**Act**") established subject to the provisions of the Act including any statutory modification or re-enactment thereof for the time being in force and the articles contained in The Model Form Articles for private companies limited by shares as set out in The Companies (Model Articles) Regulations 2008 (Statutory Instrument 2008 No. 3229) (the "**Model Articles**") with the exception of articles 2, 14, 17 to 20 (inclusive), 22(2), 24(2)(b) to (d) inclusive, 26, 38, 41, 44(1), 44(2), 52 and 53, and of any other articles which are inconsistent with the additions and modifications hereinafter set forth.
2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
3. In accordance with the Act the objects of the company shall be unrestricted.
4. The name of the Company may be changed by resolution of the Directors.

**INTERPRETATION**

In these Articles, unless the context otherwise requires, words and expressions shall bear the meaning ascribed to them in Schedule 1 of these Articles and the Schedules shall be part of and construed as one with these Articles.

**SHARE CAPITAL**

6. The share capital of the Company:
  - 6.1. that has been issued upon adoption of these Articles is £169,131.20 divided into 1,020,900 Ordinary Shares, 209,777 A Shares, 460,605 B Shares, 15,000 Class 1 Growth Shares and 15,000 Class 2 Growth Shares. The issued shares are all fully paid.
  - 6.2. The prior written consent of an Investor Majority will be required prior to the issue of any further shares (except for Permitted Issues and Permitted Options).

## RIGHTS ATTACHING TO THE SHARES

7. The rights and restrictions in relation to the shares are as follows:

### Income

- 7.1.1. Any profits which the Directors may lawfully determine to distribute in respect of any financial year shall be distributed amongst the holders of the shares (excluding the Deferred Shares) pro rata in relation to the **nominal value** of the shares in issue.
- 7.1.2. The Deferred Shares shall have no entitlement to receive any dividend or other distribution of income.
- 7.1.3. If any share entitled to receive a distribution is not fully paid at the time of that distribution then the amount due to be distributed to the holder of that share in respect of it shall first be applied in paying up the nominal and premium amount due on that share (to the extent of the distribution due on that share) and, if the amount unpaid up on that share is less than the total amount of the distribution due in respect of that share, the balance shall be paid to the holder of the share by way of distribution.

### Capital Distribution & Exit Proceeds

7.2. Subject to Article 7.4 upon a Capital Distribution Event or a Share Sale:

- 7.2.1. the Exit Proceeds (when available) shall be distributed among the shareholders of the Company (excluding Deferred Shares) on a *pari passu* and *pro rata* basis in relation to the **nominal value** of such shares in issue as at the date on which the Capital Distribution Event or completion of the Share Sale (as the case may be) takes place, subject to the following:
  - (a) in respect of the Class 1 Growth Shares, to the extent that they are Vested Growth Shares they will participate in all Exit Proceeds exceeding the first six million, six hundred thousand pounds sterling (£6,600,000) of Exit Proceeds only as if they had the same nominal value as the Ordinary Shares, A Shares and B Shares (and on Exit Proceeds up to that threshold they participate based on their actual nominal value);
  - (b) in respect of the Class 2 Growth Shares, to the extent that they are Vested Growth Shares they will or may participate in all Exit Proceeds exceeding the first six million, six hundred thousand pounds sterling (£6,600,000) of Exit Proceeds only as if they had the same nominal value as the Ordinary Shares, A Shares and B Shares (and on Exit Proceeds up to that threshold they participate based on their actual nominal value), PROVIDED that the total Exit Proceeds will exceed eighteen million sterling (£18,000,000). If it is not contractually certain that the Exit Proceeds will exceed eighteen million sterling then Article 7.2.1(f) applies;

- (c) in respect of the Class 3 Growth Shares, to the extent they are Vested Growth Shares they will participate in all Exit Proceeds exceeding the first seven million pounds sterling (£7,000,000) of Exit Proceeds only as if they had the same nominal value as the Ordinary Shares, A Shares and B Shares (and on Exit Proceeds up to that threshold they participate based on their actual nominal value);
- (d) in respect of the Class 4 Growth Shares, to the extent that they are Vested Growth Shares they will participate in all Exit Proceeds exceeding the first seven million pounds sterling (£7,000,000) of Exit Proceeds only as if they had the same nominal value as the Ordinary Shares, A Shares and B Shares (and on Exit Proceeds up to that threshold they participate based on their actual nominal value);
- (e) in respect of the Class 5 Growth Shares, to the extent that they are Vested Growth Shares they will or may participate in all Exit Proceeds exceeding the first seven million pounds sterling (£7,000,000) of Exit Proceeds only as if they had the same nominal value as the Ordinary Shares, A Shares and B Shares (and on Exit Proceeds up to that threshold they participate based on their actual nominal value), PROVIDED that the total Exit Proceeds will exceed thirty million sterling (£30,000,000). If it is not contractually certain that the Exit Proceeds will exceed thirty million sterling then Article 7.2.1(f) applies;
- (f) if it is possible (but not contractually certain) that total Exit Proceeds will exceed the eighteen million pounds sterling (£18,000,000) threshold in Article 7.2.1(b), or the thirty million pounds sterling (£30,000,000) threshold in Article 7.2.1(e), but in either case there is a reasonable prospect in the opinion of the Board (acting reasonably) that such level of Exit Proceeds will not be reached, the Company may elect to retain the enhanced proceeds potentially due to holders of Class 2 Growth Shares and (where applicable) Class 5 Growth Shares respectively in trust for and on behalf of the shareholders until such time as there is a final determination of whether the relevant threshold is exceeded (or not), at which time the Company will promptly distribute those retained Exit Proceeds among the shareholders on the basis required by these Articles.

7.2.2. if any share entitled to receive Exit Proceeds under Article 7.2.1 is not fully paid at the time of a Capital Distribution Event (excluding a Winding Up which is dealt with under Article 7.2.3) then the amount due to be paid on that share shall first be applied in paying up the nominal and premium amount due on that share (to the extent of the amount due on that share). If the amount unpaid on that share is:

- (a) less than the total amount of the capital return due on that share, the balance shall be paid to the holder of the share as a return of capital; and
- (b) more than the total amount of the capital return due on that share, the relevant share will be credited as partly paid up to the extent of

the capital return otherwise due on that share (and no further payment will be due to the holder of the share as a result of that capital distribution);

7.2.3. if any share (excluding Deferred Shares) entitled to receive Exit Proceeds under Article 7.2.1 is not fully paid then the holder of that share must pay it up in full prior to the date of:

- (a) the Exit; and/or
- (b) in the case of a Winding Up the resolution of members to wind up the company or grant of consent by the court to a winding up petition (as applicable) which gives effect to the Winding Up,

(each a “**Trigger Event**”) if it is to receive any part of the Exit Proceeds. If any part of the amount due to be paid up on the share is not paid up then, immediately prior to the Trigger Event, the share will automatically convert to a Deferred Share. The method of payment of any amount due on such share may include (with the agreement of the Board) full or partial payment to the Company by way of the remission of any Exit Proceeds to the Company.

7.3. Unless the consent of an Investor Majority is obtained, upon the occurrence of an Asset Sale all of the Shareholders shall procure that the Company is wound up and shall take all such steps as are required to wind up the Company and return the capital and assets of the Company to the shareholders in accordance with Article 7.2.

7.4. The provisions of Article 7.2 shall be subject to the following overriding provisions:

7.4.1. Upon a Share Sale, those Shares not acquired by the relevant purchaser(s) shall not be entitled to any allocation of Exit Proceeds pursuant to Article 7.2 (provided always that such purchaser(s) shall have complied in full with Article 41 (*Drag Along*) and Article 42 (*Tag Along*)).

7.4.2. The shareholders and the Board shall use all reasonable endeavours to reach agreement (without delay) as to the accuracy of calculations to be undertaken to give effect to the provisions of Article 7.2. In the event that they fail to do so within a reasonable time, the Company shall procure that the Valuers acting as experts and not as arbitrators shall determine the results of such calculations and the Valuers shall issue a certificate accordingly. Any such certificate shall, in the absence of manifest error, be final and binding on all of the shareholders, each of whom shall be sent a copy by the Valuers.

7.4.3. This Article 7.4.3 shall apply in relation to any element of cash consideration which is deferred, contingent or unquantified in the case of a Share Sale or Capital Distribution Event. If such circumstances arise, the Exit Proceeds allocated on completion of the Capital Distribution Event or Share Sale will exclude the element of cash consideration which is deferred, contingent or unquantified which instead will be dealt with subsequent to such completion of the Share Sale or Capital Distribution Event (as appropriate) in accordance with the following provisions of this Article 7.4.3. On each occasion on which any deferred, contingent and/or unquantified cash consideration which is not allocated on completion of the Capital Distribution Event or Share Sale shall

in fact be received by the Shareholders, the provisions of Article 7.2 previously applied shall be reopened and reapplied as at the date of the Capital Distribution Event or Share Sale (as appropriate) treating the later receipt as Exit Proceeds to determine the allocation of the same and, for that purpose, the calculations used in allocating consideration already received shall be reworked provided always that no value already allocated shall be re-allocated and this provision shall serve only to allocate the additional consideration later received. The Company and the Shareholders agree that the provisions of this Article 7.4.3 shall remain in full force and effect (as covenants on the part of each of them) following completion of any Capital Distribution Event or Share Sale (as appropriate) occurring after the date of adoption of these Articles and notwithstanding any proposed amendment or replacement of these Articles following completion of such Capital Distribution Event or Share Sale (as appropriate).

### **Voting**

- 7.5. On a show of hands every holder of shares who (being an individual) is present or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote and on a poll every member holding shares shall have one vote for every such share (other than Deferred Shares and Growth Shares) of which he is the holder. This Article 7.5 is subject to Article 44.2.
- 7.6. A holder of Deferred Shares and/or a holder of Growth Shares shall not be entitled to any vote on a show of hands or a poll as a result of holding such Deferred Shares or Growth Shares (but if that shareholder holds shares of any other class then this Article 7.6 does not alter that shareholder's voting rights in respect of those other shares).

### **Deferred Shares**

- 7.7. The rights attaching to the Deferred Shares are as follows:
- 7.7.1. no rights to income (as per Article 7.1.2);
  - 7.7.2. no voting rights (as per Article 7.6); and
  - 7.7.3. no rights to participate in any Exit Proceeds on either a Capital Distribution Event or a Share Sale, save that if each share in issue (excluding Deferred Shares) has received £1,000,000 in Exit Proceeds per share then the holders of Deferred Shares shall be entitled to £1 in aggregate for distribution among all holders of Deferred Shares.

### **Redemption**

- 7.8. Deferred Shares are redeemable with the consent of the Company, the Founder Shareholder (for so long as he holds one or more shares), an A Share Majority and the holders of the relevant B Shares. None of the other shares in the Company are redeemable.

### **Calls on unpaid or partly paid shares**

- 7.9. Subject to the terms of the Shareholders' Agreement (or any other agreement between the Company and all or any of the members from time to time), the

Directors may make calls upon a member in respect of any moneys unpaid on the shares registered in his name (whether in respect of nominal value or premium (if any)) and each member shall (subject to receiving at least fourteen days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

- 7.10. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 7.11. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 7.12. If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid. The notice shall name the place where payment is to be made and shall state:
  - 7.12.1. in respect of a Deferred Share, that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited; and
  - 7.12.2. in respect of any other share, that interest shall accrue from the date of the notice until paid up in full at the rate of 4% per annum above the base lending rate of Barclays Bank plc, calculated on a daily basis assuming a year of 365 days and compounding monthly.
- 7.13. If the notice in Article 7.12 is not complied with then any Deferred Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors.
- 7.14. Subject to the provisions of the Act and these Articles (including the pre-emption rights in Article 38), a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer of the share to that person.
- 7.15. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares. The Directors may (and are authorised by members to) waive such payment wholly or in part, or enforce such payment, without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.



- 7.16. A statutory declaration by a Director that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### **SP Growth Share Rights & Vesting**

- 7.17. The Class 1 Growth Shares will become Vested Growth Shares as follows:

7.17.1. in respect of Class 1A Growth Shares all are vested at the date of adoption of these Articles;

7.17.2. in respect of Class 1B Growth Shares:

- (a) one quarter of such shares issued have vested at the date of adoption of these Articles;
- (b) one quarter of such shares issued shall become vested on 30 June 2020;
- (c) one quarter of such shares issued shall become vested on 30 September 2020; and
- (d) one quarter of such shares issued shall become vested on 31 December 2020,

provided in each case that the SP Growth Share Service Agreement has not been terminated prior to that date of vesting; and

7.17.3. in respect of Class 1C Growth Shares:

- (a) one quarter of such shares issued shall become vested on 31 March 2021;
- (b) one quarter of such shares issued shall become vested on 30 June 2021;
- (c) one quarter of such shares issued shall become vested on 30 September 2021; and
- (d) one quarter of such shares issued shall become vested on 31 December 2021,

provided in each case that the SP Growth Share Service Agreement has not been terminated prior to that date of vesting.

- 7.18. The Class 2 Growth Shares will become Vested Growth Shares as follows:

7.18.1. in respect of Class 2A Growth Shares all are vested at the date of adoption of these Articles;

**7.18.2. in respect of Class 2B Growth Shares:**

- (a) one quarter of such shares have vested as at the date of adoption of these Articles;
- (b) one quarter of such shares issued shall become vested on 30 June 2020;
- (c) one quarter of such shares issued shall become vested on 30 September 2020; and
- (d) one quarter of such shares issued shall become vested on 31 December 2020,

provided in each case that the SP Growth Share Service Agreement has not been terminated prior to that date of vesting; and

**7.18.3. in respect of Class 2C Growth Shares:**

- (a) one quarter of such shares issued shall become vested on 31 March 2021;
- (b) one quarter of such shares issued shall become vested on 30 June 2021;
- (c) one quarter of such shares issued shall become vested on 30 September 2021; and
- (d) one quarter of such shares issued shall become vested on 31 December 2021,

provided in each case that the SP Growth Share Service Agreement has not been terminated prior to that date of vesting,

provided that in the event of a Capital Distribution Event or a Share Sale prior to 31 December 2021 for which the proceeds will result (or be capable of resulting) in members receiving Exit Proceeds exceeding eighteen million pounds (£18,000,000) in aggregate then all Class 2 Growth Shares that have not at that date become Vested Growth Shares will become Vested Growth Shares provided that the SP Growth Share Service Agreement has not been terminated prior to that date.

- 7.19.** In the event that the SP Growth Share Service Agreement is terminated on or prior to 31 December 2021 then any Class 1 Growth Shares or Class 2 Growth Shares that have not at the date of such termination already become Vested Growth Shares shall automatically convert to Deferred Shares at the time of such termination.

**AS Growth Share Rights & Vesting**

- 7.20.** The Class 3 Growth Shares are vested at the date of adoption of these Articles.

- 7.21.** The Class 4 Growth Shares will become Vested Growth Shares as follows:

- 7.21.1. subject to Article 7.21.4, in respect of Class 4A Growth Shares they vest monthly over the 6 months between July 2020 and December 2020 inclusive at the rate of one sixth per calendar month;
- 7.21.2. subject to Article 7.21.4, in respect of Class 4B Growth Shares they vest monthly over the 24 months between January 2021 and December 2022 inclusive at the rate of one twenty fourth per calendar month;
- 7.21.3. in the event that the AS Growth Share Service Agreement is terminated for any reason prior to 31 December 2022 then any Class 4 Growth Shares that have become Vested Growth Shares up to (and including) the month of termination shall remain Vested Growth Shares but no further Class 4 Growth Shares shall vest pursuant to this Articles 7.21.

7.22. The Class 5 Growth Shares are vested at the date of adoption of these Articles.

#### **Growth Share Basic Rights Summary**

- 7.23. The rights attaching to the Growth Shares are as follows:
- 7.23.1. rights to income (as per Article 7.1.1);
  - 7.23.2. no voting rights (as per Article 7.6); and
  - 7.23.3. rights to participate in any Exit Proceeds on either a Capital Distribution Event or a Share Sale as set out in Article 7.2.

#### **ISSUES OF SHARES**

- 8.1. Subject to the terms of these Articles, provisions of the Act and of every other statute for the time being in force concerning companies and affecting the Company and to any direction to the contrary that may be given by ordinary resolution of the Company, the Directors may offer, allot, issue, grant options or rights over or otherwise dispose of any shares in the Company to such persons, at such times and for such consideration and upon such terms and conditions and with such preferred, deferred or other special rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Directors may determine, but so that no shares shall be issued at a discount.
- 8.2. For the purposes of Section 551 of the Act, the Directors are authorised generally and unconditionally to allot without the authority of the Company in general meeting up to a maximum of £122,000 in nominal amount of shares of the Company at any time or times from the date of adoption of these Articles until the date occurring five years after such date. The aforesaid authority may be revoked or varied by the Company in general meeting and may be renewed by the Company in general meeting for a further period not exceeding five years. The Company may make any offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of this authority. In this paragraph, references to the allotment of shares shall include the grant of rights to subscribe for, or to convert any security into, shares.

- 8.3. In accordance with Section 570 of the Act, sub-Section (1) of Section 561 of the Act shall be excluded from applying to the allotment of equity securities (as defined in Section 560 of the Act).
- 8.4. The Company shall not allot, issue or offer shares, options or warrants in respect of any shares in the capital of the Company without first offering in writing to each of the members (excluding members who hold only Deferred Shares or Growth Shares) the opportunity to subscribe at an equivalent price for the Relevant Proportion of shares, options or warrants which the Company proposes be allotted, issued or offered (other than pursuant to the grant of the Permitted Options and/or Permitted Issues). For the purposes of this article the **"Relevant Proportion"** means the proportion of such number of shares, options or warrants in the Company which the Company proposes to allot, issue or offer as is equal to the proportion of the total issued share capital of the Company held by that member (in each case taking no account of any Deferred Shares or Growth Shares in issue). The conversion of Growth Shares to Deferred Shares shall not be treated as an allotment and issue of shares and shall not be subject to these provisions.
- 8.5. Each offer to the members referred to in Article 8.4 shall be made by notice specifying the total number and class of shares offered, the price per share and limiting a time (not being less than 7 days nor greater than 42 days) within which the offer, if not accepted, will be deemed to be declined. Where applicable, the Company shall allot shares to each member of the same class as that already held by that member. If a member holds more than one class of share, the allotment to that member of his or her Relevant Proportion will be split pro rata among those types of share based on the proportion of each class of share already held by that member.
- 8.6. If after the expiry of the period for acceptance specified by the notice given in accordance with Article 8.5 acceptances have not been received in respect of all of the shares offered to the members, or if earlier on the receipt of a confirmation from all the person(s) to whom the offer is made that he/they decline(s) to accept some of the shares offered to any of them, the Directors shall offer the declined shares (**"Declined Shares"**) in the manner set out in Article 8.5 and at the same price (**"Second New Share Offer"**) to the other members who have agreed to subscribe for all the shares initially offered to them inviting such members to apply for such number of the Declined Shares as they may specify in their application.
- 8.7. After the expiry of the period for acceptance specified by the notice given in accordance with Article 8.6 the Directors will within 7 days allocate the Declined Shares as follows:
- 8.7.1. If the total number of Declined Shares applied for is equal to or less than the available number of Declined Shares, each offeree will be allocated the number applied for in accordance with his application; or
- 8.7.2. if the total number of Declined Shares applied for is greater than the available number of Declined Shares, applications will be satisfied pro rata by reference to the proportion that the number of shares held by each such applicant for Declined Shares bears to the total number of shares held by all such applicants.

- 8.8. Allocations of Declined Shares made by the Company pursuant to Article 8.7 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Declined Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Declined Shares which he/they has indicated to the Company that he/they is willing to purchase.
- 8.9. If any of the shares are not taken up at the end of the procedure set out in Articles 8.4 to 8.8 (inclusive) the Directors may, within three months after the date of such offer, dispose of any shares to such person as they think fit but only at the same price and on the same terms which they were offered to the members in accordance with this Article 8. In these circumstances the shares not taken up need not be offered again to the members.
- 8.10. In the event of any difficulty arising by reason of an offer of shares involving fractions the Directors may settle the same as they think fit.
- 8.11. With the exception of the Growth Shares, and except where the prior written consent is obtained of a majority of the holders of each of the A Shares, the B Shares and the Ordinary Shares, the Company shall not issue any shares with a nominal value other than £0.10 per share.

#### **INTERESTS IN SHARES AND CERTIFICATES**

- 9.1. The Company may but shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety thereof held by the registered holder. The Company shall however be entitled to register trustees as such in respect of any shares.
- 9.2. The conditions of issue of any Shares shall not require the Company to issue any share certificate although the Board may resolve to do so.
- 9.3. The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders.
- 9.4. If the Board resolves to issue a share certificate it may be issued in electronic format, under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person.
- 9.5. Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

- 9.6. By being registered in the Company's register of members, each member acknowledges that the Company will hold and process personal data in respect of that member for the purposes of the General Data Protection Regulation and otherwise in accordance with the Company's data protection policies (available to any member or Director on request) and will allow third party service providers engaged by the Company to receive and process such data in so far as doing so is in connection with, or relatively required in respect of, management of that member's rights and obligations as a shareholder.

#### **LIEN**

10. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this article.

#### **TRANSFER OF SHARES**

- 11.1. The Directors shall register any transfer of shares made in accordance with the provisions of Articles 37 to 42 (*permitted transfers, pre-emptive transfers, compulsory transfers, fair price, drag along and tag along*). Save as aforesaid the Directors will decline to register any transfer of any shares, whether or not such shares are fully paid.
- 11.2. Subject to such of the restrictions set out in these Articles as may be applicable, any member may transfer all or any of his shares by instrument of transfer in writing in any usual or common form or in any other form which the Directors may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee and the transferor shall remain the holder of the shares and as such a member of the Company until the name of the transferee is entered in the Register of Members in respect thereof.

#### **GENERAL MEETINGS AND SHAREHOLDER RESOLUTIONS**

12. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, two members (including at least one holder of B Shares) present in person or by proxy or, if a corporation, by a duly authorised representative, shall be a quorum.
13. If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to such day and at such time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.
14. A resolution in writing:

- 14.1. in respect of the passing of an ordinary resolution, signed by a simple majority of the total voting rights of 'eligible members' of the Company; or
- 14.2. in respect of the passing of a special resolution, signed by a 75% majority of the total voting rights of 'eligible members' of the Company,

in each case shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any special resolution to be passed as a written resolution must state on the face of the resolution that it is to be passed as a special resolution. Any written resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporation which is a member shall be sufficient if made by a director or the secretary thereof or by its duly appointed attorney(s) or representative(s).

15. A poll may be demanded at any general meeting by the chairman or by any director or by any member present in person or by proxy or, if a corporation, by any representative duly authorised and entitled to vote. Each member present in person or by proxy or, in the case of a corporation, by corporate representative shall have such voting rights as the class(es) of share held by them entitle them to pursuant to these Articles.
16. No resolution not previously approved by the Directors shall be moved by any member other than a director at a general meeting unless the member intending to move the same shall have left a copy thereof with his or her name and address at the Office at least three clear days prior to such meeting.
17. A notice of every general meeting shall be given to every member whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices.

## **DIRECTORS**

- 18.1. For so long as the Company has more than one Director, the quorum for the transaction of the business of the Directors shall be a minimum of 3 Directors of whom one shall be a Founder Director, one shall be an A Director and one shall be a B Director (unless in any case such a Director is, at the relevant time, not appointed or the provisions of Article 19 apply in which event the quorum shall be formed without the need for such a Director to be present). A person who holds office only as an alternate director shall, if his appointer is not present, be counted in the quorum. If there is a Founder Director and/or A Director and/or B Director in office but no Director of that type is present at any duly convened meeting of the Directors, the meeting shall be adjourned to such time (being not less than one or more than seven days from the date of the meeting so adjourned) as the Directors present at the adjourned meeting shall agree and this shall be notified to each Director and the quorum for the transaction of business at the reconvened meeting shall be any two Directors (including a B Director if a B Director was present at the original adjourned meeting and one has been or remains appointed at the time of the reconvened meeting) provided that the only business which may be transacted at that meeting is the business details of which are set out in the notice of the reconvened meeting. If the Company only has fewer Directors than the quorum requirement then the quorum shall be that number of Directors who are then appointed.

- 18.2. The Directors shall have power at any time to appoint any director to be the Chairman. The Chairman shall have a casting vote.
19. Notwithstanding Article 18 above, if the conflict of interest provisions contained in the Act apply such that there is no Founder Director or A Director or B Director who is entitled to vote, form part of the quorum or attend any meeting of the Directors despite the application of Article 47 or any authorisation granted in respect of that Founder Director or A Director or B Director pursuant to Article 47.2 then the quorum requirements for the relevant meeting shall not require a Founder Director or an A Director or a B Director to form part of the quorum.
20. Unless and until otherwise determined by ordinary resolution of the Company, the minimum number of directors shall be two (save that, until such time after the adoption of these Articles as more than one director is appointed, the minimum number shall be one) and there shall be no maximum number of directors. A sole director shall have all the power and authority vested in "the Directors" in terms of these Articles.
21. A director shall not be required to hold shares of the Company in order to qualify for office as a director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or meetings of any class of members of the Company.
22. A director who is in any way, whether directly or indirectly, interested in an actual or proposed transaction or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the Directors in accordance with Section 177 and/or 182 of the Act. Subject to such disclosure as aforesaid a director may vote in respect of an actual or proposed transaction or arrangement in which he is interested and if he does so vote his vote shall be counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any actual contract or proposed transaction or arrangement shall come before the Directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom. For the purposes of this Article:
- 22.1. a general notice given 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; and
- 22.2. an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
23. The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors. Article 15 of the Model Articles shall be modified accordingly.
24. The office of a director shall be vacated:
- 24.1. if he/she becomes bankrupt or suspends payment of or compounds with his creditors;
- 24.2. if he/she becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise mentally incapacitated;



- 24.3. if (not being a director holding executive office as such for a fixed term) by notice in writing to the Company he/she resigns his office;
- 24.4. if he/she is prohibited by law from being a director or ceases to be a director by virtue of any provision of the Act;
- 24.5. if he/she is a Bad Leaver;
- 24.6. if he, not being a Founder Director, an A Director or a B Director, is removed from office by notice in writing signed by all his co-directors and served upon him who shall number not less than two;
- 24.7. if he/she shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his or her office be vacated.
- 25. The Directors shall have power at any time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing directors. Any director so appointed shall automatically vacate his or her office as a director if any of the holders of A Shares, B Shares or the Founder Shareholder validly serve a notice appointing a director pursuant to Article 43, 44 or 45 (respectively) but such appointment would, without such automatic vacation of office, result in the number of directors exceeding any maximum stated in Article 20. If more than one director would thereby be deemed to vacate his/her office, the director who does not have an employment relationship with a Group Company shall vacate office first and in the event that more than one director falls into that category the Board shall determine which shall vacate their office.
- 26. The ordinary remuneration of the Directors for their services as directors shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may unanimously agree or, failing agreement, equally except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for such proportion of remuneration as relates to the period during which he has held office. The Directors may repay to any director all such reasonable expenses as he may properly incur in attending meetings of the Directors or of any committee of the Directors or general meetings of the Company or any class of members of the Company or otherwise in or about the business of the Company. In the event of any director necessarily performing or rendering any special duties or services to the Company outside his ordinary duties as a director the Directors may, if so authorised by an ordinary resolution of the Company, pay such director special remuneration and such special remuneration may be paid by way of salary, commission, participation in profits or otherwise as may be arranged and approved by the Directors. For the avoidance of doubt, no additional remuneration shall be paid to the Chairman for performing such a role.
- 27. The Directors may from time to time appoint one or more of their number to an executive office (including that of Chief Executive Officer, Chief Technology Officer, Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried office) for such period and on such terms and conditions as they shall think fit and, subject to the terms and conditions of any agreement entered into in any

particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any director as aforesaid shall be ipso facto determined if he ceases from any cause to be a director.

28. A Chief Executive Officer, Chief Technology Officer, Managing Director, Deputy or Assistant Managing Director, Manager or other executive officer as aforesaid shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever, whether similar to the foregoing or not) as the Directors may determine.
29. The Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in Section 1159 of the Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, spouses, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company and without the approval of any resolution of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such director or ex-director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a director of the Company.
30. The Directors on behalf of the Company may:
  - 30.1. establish and contribute to any employees' share scheme (within the meaning of Section 1168 of the Act) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for shares of the Company or of a holding company of the Company; and
  - 30.2. establish and maintain any option or incentive scheme whereby selected employees (including salaried directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company (other than the Permitted Options which are already approved); and

- 30.3. formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried directors and officers) or any of them.
31. Any director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.
32. Without prejudice to Article 8 of the Model Articles, a resolution in writing signed by all the Directors eligible to vote on the matter had it been proposed as a resolution at a Directors meeting or a committee of the Directors shall be as valid and effectual as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.
33. A meeting of the Directors or of a committee of the Directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Subject to the Act, all business transacted in such manner by the Directors or a committee of the Directors shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a committee notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word “meeting” in these Articles shall be construed accordingly.

#### **BORROWING AND OTHER POWERS**

34. The Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

#### **ALTERNATE DIRECTORS**

- 35.1. Any director (other than an alternate director) may at any time by writing deposited at the Office, or delivered at a meeting of the Directors, appoint any person to be his alternate director and may in like manner at any time terminate such appointment. If such alternate director is not another director, such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved (provided that the appointment of an alternate by a Directly Appointed Director shall be effective immediately on notice of such appointment being given to the Company and shall not require the approval of the Directors).
- 35.2. The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointer ceases to be a director.

- 35.3. An alternate director shall (except when absent from the United Kingdom) be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointer is a member and shall be entitled to attend and vote as a director at any such meetings at which his appointer is not personally present and generally at such meetings to perform all the functions of his appointer as a director in his absence and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director. If his appointer is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an alternate director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointer. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate (in addition to his own vote if he is also a director). An alternate director shall not (save as aforesaid) have power to act as a director or be deemed to be a director for the purposes of these Articles.
- 35.4. An alternate director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct.

#### **INDEMNITY AND INSURANCE**

- 36.1. Without prejudice to any other indemnity which may from time to time be applicable, a relevant officer of the Company or an associated company shall be indemnified out of the assets of the Company against:
- 36.1.1. any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
  - 36.1.2. any liability incurred by that officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
  - 36.1.3. any other liability incurred by that officer as an officer of the Company or an associated company,
- provided always that this article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Acts or by any other provision of law.
- 36.2. In this article:
- 36.2.1. companies are “associated” if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - 36.2.2. a “relevant officer” means any director, former director, company secretary or former company secretary or other officer of the company or an associated company (but not its auditor).
- 36.3. The Directors may decide to purchase and maintain insurance at the expense of the Company for the benefit of any relevant officer in respect of any relevant loss.

Without prejudice to the generality of Article 22, at a meeting of the Directors where such insurance is under consideration a Director may form part of the quorum and vote notwithstanding any interest he may have in such insurance.

In this article:

- 36.3.1. a “**relevant officer**” means any director or former director, company secretary or former company secretary of the Company or an associated Company, any other officer or employee or former officer or employee of the Company (but not its auditor) or any trustee of an occupational pension scheme (as defined in section 235(6) of the Act) for the purposes of an employees' share scheme of the Company or an associated company,
- 36.3.2. a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- 36.3.3. companies are “**associated**” if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

#### PERMITTED TRANSFERS

- 37.1. The following transfers of shares may be made without restriction as to price or otherwise and without any requirement to offer such shares pursuant to the provisions of Article 38 (*pre-emptive transfers*) namely transfers:
  - 37.1.1. by any member holding shares as a nominee or on trust (whether directly or indirectly) for an employee share scheme to any other nominee or trustee of the same scheme;
  - 37.1.2. by any nominee or trustee to any other nominee or trustee of the same beneficiary, by CC NomineeCo to a Permitted Transferee, or by any nominee or trustee (including CC NomineeCo to the beneficiary they are holding on behalf of;
  - 37.1.3. by any member who is a natural person to any Permitted Transferee and by such Permitted Transferee to any other Permitted Transferee of that original member provided that this Clause 37.1.3 only permits a transfer where the transferee undertakes in a form satisfactory to the Director(s) that such transferee will be bound by the provisions of these Articles (in particular, the provisions of Article 39 (*compulsory transfers*)) as if such transferee were the member from whom the shares were transferred;
  - 37.1.4. by the trustees of any trust established for the benefit of employees or directors (or former employees or directors) of any member of the Group to the beneficiaries of such trust (or any of them) as may be approved by the Director(s) and from such beneficiaries to the trustees of such trust to hold on trust for the benefit of the beneficiaries of the trust;
  - 37.1.5. by the legal representative of any deceased member to any Permitted Transferee of that deceased member pursuant to the terms of that deceased member's will or by the operation of the laws of intestacy and by such

Permitted Transferee to any other Permitted Transferee of that original member;

37.1.6. by 22 Nominees Limited to any Privileged Relations or Family Settlement of any beneficial shareholder that they hold shares on behalf of as nominee;

37.1.7. by any holder of shares who is a member of the PDS Group to any other person who is a member of the PDS Group;

37.1.8. by any member who is a natural person to a company in which that natural person holds, together (if applicable) with his Privileged Relations, 100% of the Voting Rights at the time of the transfer provided such transfer does not result in the Company failing the independence requirement set out in Section 185(2) of ITA;

37.1.9. by any member with the consent of:

- (a) the Board;
- (b) the Founder Shareholder (for so long as he holds any shares in the Company); and
- (c) an Investor Majority.

If any person to whom shares are transferred pursuant to sub-paragraphs 37.1.1 to 37.1.7 above ceases to be within the required relationship with the original transferor of such shares, or in the case of a transfer under Article 37.1.8 the Voting Rights in the company to which shares in the Company have been transferred cease to be held to at least 75% by the original transferor shareholder and/or his Privileged Relations, then such shares shall (unless the Founder Shareholder and an Investor Majority agree otherwise) be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) forthwith upon such relationship ceasing and, if the holder of such shares fails to make such transfer, the holder shall be deemed to have served a separate Transfer Notice in respect of all of such shares then held by him and the provisions of Article 38 (*pre-emptive transfers*) shall apply save that the Specified Price shall be deemed to be the Fair Price. This obligation to transfer back does not apply to transfers pursuant to Article 37.1.9.

A CC Beneficial Owner shall be entitled at any time to transfer his beneficial interest in the shares held on trust for him by CC NomineeCo without restriction to any person, provided that the legal title in such shares continues to be held by CC NomineeCo and the transferee is (or becomes prior to the completion of the transfer) a member of the crowdfunding platform operated by Crowdcube Capital Limited.

#### **PRE-EMPTIVE TRANSFERS**

38.1. Save as provided by Article 37 (*permitted transfers*), Article 39 (*compulsory transfers*) and Articles 41 to Article 42 (*drag along and tag along*), no member or person entitled by transmission shall transfer or dispose of or agree to transfer or dispose of or grant any interest or right in any shares to any person (a "**transferee**" for the purposes of this Article 38) without first offering the same for transfer to the holders for the time being of shares (other than the proposing transferor). Such offer may be in respect of

all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by the giving in writing of a notice (a **"Transfer Notice"**).

- 38.2. Each Transfer Notice shall specify the number and class of shares offered (the **"Sale Shares"**) and (unless the Transfer Notice is deemed given as provided by these Articles) the price at which the Sale Shares are offered (the **"Specified Price"**) and the identity(ies) of the proposed transferee(s) (if any) and it shall constitute the Directors as the agent of the proposing transferor for the sale of the Sale Shares to the other holders of shares (other than the proposing transferor).
- 38.3. Upon receipt or deemed receipt by the Company of the Transfer Notice the Directors shall forthwith give written notice to the holders of shares (other than the proposing transferor) of the number and description of the Sale Shares and the Specified Price and (unless the Transfer Notice is deemed given as provided by these Articles) the identity(ies) of the proposed transferee(s) inviting each of such holders to state by notice in writing to the Company within 28 days (the **"Offer Period"**) whether he is willing to purchase any and, if so, what maximum number of the Sale Shares (**"Maximum"**) he is willing to purchase, and shall also forthwith give a copy of such notice to the proposing transferor. A person who, pursuant to such a notice, expresses a willingness to purchase any Sale Shares is referred to below as a **"Purchaser"**.
- 38.4. Within 10 days of the expiration of the Offer Period the Directors shall, subject to Article 38.6 below, allocate the Sale Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:
  - 38.4.1. firstly to the Founder Shareholder (for so long as he holds one or more shares in the Company);
  - 38.4.2. thereafter (or immediately if the Founder Shareholder is the proposed transferor) among all other shareholders.
- 38.5. Each allocation among the relevant persons identified in Article 38.4 shall in the case of competition be made pro-rata to the number of shares held by them but individual allocations shall not exceed the Maximum which the relevant person shall have expressed a willingness to purchase.
- 38.6. If the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Sale Shares, no allocation shall be made unless all the Sale Shares are allocated.
- 38.7. Forthwith upon such allocation being made, the Purchasers to or amongst whom such allocation has been made shall be bound to pay to the Company (as agent for the proposing transferor) the Specified Price for, and to accept a transfer of, the Sale Shares so allocated to them respectively and the proposing transferor shall, subject to Article 41 (*drag along*), be bound forthwith upon payment of the Specified Price as aforesaid to deliver to the Company (as agent for the Purchasers) such documents as are required to transfer such shares to the respective Purchasers.
- 38.8. If in any case the proposing transferor, after having become bound to transfer Sale Shares as aforesaid, does not do so, the Company may receive the Specified Price and the Directors may appoint some person to execute instruments of transfer of such Sale Shares in favour of the Purchasers and shall thereupon, subject to such transfers

being properly stamped (if applicable), cause the name of each of the Purchasers to be entered in the Register of Members as the holder of those Sale Shares allocated to him as aforesaid and shall hold the Specified Price in trust for the proposing transferor. The issue of a receipt by the Company therefor shall be a good discharge to the Purchasers and after their names shall have been entered in the Register of Members in exercise of the aforesaid power, the validity of the transactions shall not be questioned by any person.

38.9. If, at the expiration of the period of 10 days referred to in Article 38.4 above, any of the Sale Shares have not been allocated in accordance with the provisions of this Article, the proposing transferor may (subject always to any restrictions set out in other Articles) at any time within a period of 60 days after the expiration of the said period of 10 days referred to in Article 38.4 above transfer such unallocated Sale Shares to the proposed transferee(s) (if any) specified in the Transfer Notice, or to any other person (including the Company by share buy back or otherwise and subject to the Act) at any price not being less than the Specified Price provided that:

38.9.1. if the Transfer Notice shall contain the statement referred to in Article 38.6 the proposing transferor shall not be entitled hereunder to transfer any of such unallocated Sale Shares unless in aggregate all of such unallocated Sale Shares are so transferred;

38.9.2. the Directors may require to be satisfied on reasonable grounds that such unallocated Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the transferee and if not so satisfied may refuse to register the instrument of transfer.

38.10. The restrictions on transfer contained in this Article shall apply to all transfers and transmissions by operation of law or otherwise of shares.

38.11. Where a member or other person is under these Articles deemed to have served a Transfer Notice in respect of shares, such Transfer Notice shall be deemed not to contain the statement referred to in Article 38.6.

38.12. A holder of Growth Shares shall not be entitled to serve a Transfer Notice in respect of those Growth Shares prior to the date falling 3 years following the issue of those Growth Shares, unless it is a transfer made in accordance with Article 37 (*permitted transfers*), Article 39 (*compulsory transfers*) and Articles 41 to Article 42 (*drag along and tag along*).

### **COMPULSORY TRANSFERS**

39.1. If:

39.1.1. any Event of Default occurs in relation to a member, and the member fails (where the Event of Default is capable of remedy) to remedy that Event of Default within 14 days of the Company or any member of the Company bringing the Event of Default to the member's attention, then the member who has committed an Event of Default (the "**Defaulting Shareholder**") shall be required to offer their shares for transfer; or



39.1.2. a B Share Sale Notice is served in accordance with the Shareholders' Agreement then the holders of B Shares are required to offer them for sale,

and the Defaulting Shareholder or holder of B Shares (as applicable) shall be deemed to have served a Transfer Notice in respect of his, her or its entire holding of shares in the Company (restricted to B Shares in relation to Article 39.1.2) and (in the case of a Defaulting Shareholder) all shares held by any Permitted Transferee of such a member (other than a Permitted Transferee pursuant to 37.1.5, 37.1.8 or 37.1.9). Subject to Article 39.3, the provisions of Article 38 shall apply.

39.2. The Directors may (and shall if demanded by the Founder Shareholder), at any time upon the Leaver becoming a Leaver until the expiry of 12 months from the Termination Date, serve a notice in writing on the Leaver requiring him or her to offer for sale some or all of his or her shares in the Company (excluding any A Shares, B Shares and shares issued in lieu of fees payable for services rendered under a consultancy agreement) as specified in the notice (a "**Compulsory Transfer Notice**") and/or any such shares held by a Permitted Transferee of such Leaver (other than a Permitted Transferee pursuant to Article 37.1.5 or 37.1.9). Upon service of a Compulsory Transfer Notice the Leaver shall be deemed to have served a Transfer Notice in respect of such shares (and such deemed Transfer Notice shall supersede any previous Transfer Notice which has not completed whether pursuant to Article 39.1 or otherwise) and, subject to Article 39.3, the provisions of Article 38 shall apply. For the avoidance of doubt, A Shares, B Shares and shares issued in lieu of fees pursuant to a consultancy agreement shall not be subject to a Compulsory Transfer Notice (but such prohibition does not prevent the holder of such shares being a Defaulting Shareholder and having to transfer such shares under Article 39.1).

39.3. A deemed service of a Transfer Notice pursuant to Article 39.1 or 39.2 shall be deemed to provide that the Specified Price in respect of any shares the subject of the deemed Transfer Notice shall be:

39.3.1. in the case of any Defaulting Shareholder or Leaver to which Article 39.3.2 does not explicitly apply, the Fair Price;

39.3.2. in respect of a Bad Leaver or a Defaulting Shareholder whose default is described in paragraph (g) or (h) of the definition of Event of Default, the lower of:

(a) the amount paid up on the relevant shares (including any premium paid thereupon); and

(b) the Fair Price; and

39.3.3. in respect of a transfer pursuant to a B Share Transfer Notice, the Fair Price.

39.4. The Directors may by notice in writing served on the Company and the Leaver or Defaulting Shareholder (as applicable), prior to the transfer pursuant to the Transfer Notice, with the consent of an Investor Majority and the Founder Shareholder (for so long as he holds one or more shares in the Company):

39.4.1. specify that not all or none of the Leaver's or Defaulting Shareholders' shares are to be the subject of the deemed Transfer Notice; and/or

39.4.2. specify that the obligation for the Directors to give written notice to the holders of shares inviting them to purchase the Sale Shares shall be deferred for a further period of up to twelve months; and/or

39.4.3. specify in the case of a Bad Leaver that he or she shall be entitled to offer some or all of his shares for sale at the Fair Price.

#### **FAIR PRICE**

40.1. **"Fair Price"** means the price per share as at the date of the Compulsory Transfer Notice (in the case of a Leaver) or the Event of Default (in the case of a Defaulting Shareholder) or B Share Transfer Notice agreed between the member who is the Leaver or a Defaulting Shareholder or a holder of B Shares (in relation to a B Share Transfer Notice) and the Directors (with the consent of an A Director and (except where the price being agreed relates to a B Share Transfer Notice) a B Director (to the extent each are appointed)) within 21 days of service of the Compulsory Transfer Notice or the Company becoming aware of the Event of Default (or such longer period as the Directors may determine) or, in the absence of such agreement, the Fair Price shall be the price as at such date certified in writing by the Valuer as being in their opinion the fair value of the shares as between a willing seller and a willing buyer (with no discount to reflect the unquoted status of the shares) provided that the Valuer, in determining the fair value of any of such shares shall:

40.1.1. determine the sum in cash which a willing buyer would offer to a willing seller for the whole of the issued shares of the Company including outstanding options or rights to acquire shares (assuming exercise in full);

40.1.2. make such adjustment as they consider necessary to allow for any rights attaching to the Shares to be transferred which may be outstanding and any rights whereby any person, firm or body corporate may call for the allotment or issue of Shares or may exercise any right of conversion; and

40.1.3. make an adjustment to reflect the size of the holding of shares the subject of the relevant transfer (including to reflect the proportion of Voting Rights attached thereto), save where there has been a bona fide third party offer from any third party for the Company within the previous 12 months, or where the Company is being wound-up,

but so that there shall be no addition or subtraction in relation to any restrictions on the transferability or voting of the shares arising only out of the provisions of these Articles, and provided further that the Valuer shall take into account in relation to determining the appropriate figure for Article 40.1 above any bona fide offer from any third party for the Company.

40.2. The costs of the Valuer shall be borne between the Company and the selling shareholder equally or in such proportions as the Valuer shall determine to be fair and reasonable in the circumstances (and in arriving at such proportions, the Valuer may take account of the relevant price per share proposed by the relevant parties as compared to the price per share ultimately agreed to as determined by the Valuer).

40.3. For the avoidance of doubt where a Valuer is to be appointed, the identity of and the terms of engagement of the relevant Valuer shall be at the sole determination of the

Company (acting reasonably) and shall not require the agreement of the relevant Leaver or Defaulting Shareholder.

#### **DRAG ALONG**

**41.1. For the purposes of this Article 41:**

**41.1.1.** the expression the “**Specified Price**” shall mean the consideration (in cash or otherwise) per share equal to no less than:

- (a) the aggregate amount offered or paid or payable by the proposed transferee or transferees or his or their nominees for the total issued shares; plus
- (b) the relevant amount of any other consideration (in cash or otherwise) received or receivable by any holders of shares 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,

divided among the shares to give a price per share; and

**41.1.2.** the expression “**Qualifying Offer**” means an offer made on an arm’s length basis to purchase all of the shares then in issue (and to be issued on completion of such purchase) by a bona fide third party and which sets out an aggregate price for the entire issued shares in the Company.

**41.2.** In the event that a Qualifying Offer is received from a bona fide third party (the “**Proposed Purchaser**”), and members constituting the Drag Majority (as defined in Article 41.3) give the notice referred to in Article 41.3, then (subject to the proviso below) the shares held by the other members in respect of whose shares the Qualifying Offer applies (the “**Remaining Shareholders**”) shall be sold or transferred simultaneously with the transfer of shares by the Drag Majority (which transfer cannot occur less than 28 days after the issue of the notice pursuant to Article 41.3) and with the Proposed Purchaser shall pay an amount in aggregate equal to the Specified Price for each of the shares of the Remaining Shareholders (with distribution of Exit Proceeds among shareholders being made in accordance with Article 7.2).

**41.3.** If members at any time from the date of adoption of these Articles holding not less than 60% of the shares then in issue (referred to herein as the “**Drag Majority**”) wish to accept the Qualifying Offer, then those members (or their duly authorised agent(s)) shall notify the Remaining Shareholders of the fact of the Qualifying Offer, the identity of the Proposed Purchaser, the total consideration to be provided by the Proposed Purchaser and the terms and conditions of the Qualifying Offer. Such notice must be despatched at the same time to all members at their address as last notified to the Company.

**41.4.** Upon notification of the Qualifying Offer pursuant to Article 41.3 the Remaining Shareholders shall:-

**41.4.1.** be deemed to have accepted the Qualifying Offer in accordance with its terms and to have irrevocably waived any pre-emption rights that they may have in relation to the transfer of the relevant shares of which they are holder; and

- 41.4.2. be obliged to deliver to the Proposed Purchaser or his nominee an executed transfer of such shares and the share certificate(s) in respect of them (subject to the minimum time period in Article 41.2) no later than the date on which the members who issued the notice under Article 41.3 deliver such items to the Proposed Purchaser in respect of their own shares;
- 41.5. If any Remaining Shareholder shall not, by the date on which they are required to do so under Article 41.4, execute and deliver transfers in respect of the shares held by him and deliver the share certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any member who is within the Drag Majority who issued a notice under Article 41.3 shall be entitled to authorise and instruct such person as he or she thinks fit to execute the necessary transfer(s) and indemnities on such member's behalf and, against receipt by the Company (on trust for such member) of the purchase moneys payable for the relevant shares, deliver such transfer(s) and certificate(s) or indemnities to the transferee(s) or their nominees and register such transferee(s) or their nominees as the holders thereof and, after such transferee(s) or their nominees have been registered as the holders, the validity of such proceedings shall not be questioned by any persons.
- 41.6. Where a Qualifying Offer is made and approved by the Drag Majority then each member shall be deemed to have irrevocably waived any pre-emption rights that he may have in relation to a transfer of shares made in accordance with that Qualifying Offer.

#### **TAG ALONG**

- 42.1. In this Article 42 the expression the "**Specified Price**" shall mean the consideration (in cash or otherwise) per share equal to the highest amount offered or paid or payable by the Buyer(s) (as defined in Article 42.2) to the holders of any shares for those shares transferred or to be transferred to the Buyer(s) in any one or more of the transfers giving effect to the Change of Share Control (as defined on Article 42.2) plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by such holders of shares 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 their shares.
- 42.2. If, as the result of a transfer or transfers or purported transfer pursuant to Article 38 (*pre-emptive transfers*) and/or 39 (*compulsory transfers*), shares constituting a majority of the shares would be held by any person (or persons who are Associates of each other), other than the Founder Shareholder and/or his Permitted Transferees, (a "**Change of Share Control**") then the Company shall not register any transfers that give effect to the Change of Share Control unless and until the person or persons who are to acquire the shares (in this Article the "**Buyer(s)**") has:
- 42.2.1. served a notice (the "**Offer Notice**") on each of the members who hold shares and the Company offering to purchase their entire holding of shares for the Specified Price per share held (other than Deferred Shares which would only ever be entitled to the amount referred to in Article 7.7.3) which amount would be distributed as Exit Proceeds in accordance with Article 7.2; and
- 42.2.2. complied with the obligations in Article 42.4.

The Offer Notice must be despatched at the same time to all holders of shares at their address as last notified to the Company.

- 42.3. Each holder of shares who wishes to accept the Offer Notice shall (or their duly authorised agent(s) shall) notify the Buyer(s) and the Company within 21 days of the date of receipt of the Offer Notice as to whether they wish to accept such offer and the number of shares that they wish to sell pursuant to that Offer Notice by submitting a notice to the Company (the “**Tag Along Notice**”). Any holder of shares who does not submit a Tag Along notice to the Company within that 21 day period shall be deemed to have declined the offer.
- 42.4. The Buyer(s) shall complete the purchase of all shares in respect of which a Tag Along Notice has been timeously given or deemed to be given and no later than 21 days from the date of the deadline for validly serving a Tag Along Notice (or such later date as the transfer of any shares to the Buyer(s) completes). The consideration shall be payable in full without any set off (and, for the avoidance of doubt, requires the total amount paid by the Buyer is the equivalent of the Specified Price for every share purchased (other than Deferred Shares) but payment of Exit Proceeds on each such share shall be paid on the basis set out in Article 7.2). Any transfer pursuant to a Tag Along Notice shall not require the proposing transferor to give a Transfer Notice. The Directors shall not register any transfer to the Buyer(s) and the Buyer(s) shall not be entitled to exercise or direct the exercise of any rights in respect of any shares to be transferred to the Buyer(s) until in each case the Buyer(s) has fulfilled all his obligations pursuant to this Article. If and for so long as the Buyer(s) fails to comply with the provisions of this Article, the shares held by the Buyer(s) (including any shares held by the Buyer(s) prior to the operation of this Article) shall confer on the Buyer(s) no right to receive notice of, attend or vote at any general meeting of the Company or at any separate general meeting of the holders of the shares of that class until the obligations of the Buyer(s) hereunder have been complied with.
- 42.5. Where there is more than one Buyer for the purposes of Article 42.4 the Share Offer Notice will not be validly given unless it is given jointly by those Buyer(s) and their obligations thereunder to the holders of shares shall be joint and several obligations. Provided that the Buyer(s) comply with their obligations hereunder the holders of shares shall not be concerned as to which of the Buyers is the transferee of which of the shares and the Buyers are free to determine that amongst themselves. For the avoidance of doubt where there is more than one Buyer the Specified Price due by each Buyer is the highest price paid by any one of them pursuant to Article 42.1.
- 42.6. For the avoidance of doubt the holder(s) of shares may serve a Tag Along Notice in respect of all, some only or none of the shares to which the Offer Notice applies at their entire discretion.

#### **A DIRECTOR & OBSERVER**

- 43.1. An A Share Majority may from time to time, by notice in writing addressed to the Company signed by or on behalf of each of them and delivered to the Office, appoint one person (identified at their entire discretion) to be a director of the Company and remove the person so appointed. Such director shall be known as the “**A Director**”.
- 43.2. The A Director shall be entitled to report back to the members appointing him (and any other member) on the affairs of the Company and its subsidiaries on a confidential

basis and to disclose to such members on a confidential basis such information as he shall reasonably consider appropriate including, for the avoidance of doubt, all papers distributed to the Directors.

- 43.3. An A Share Majority may from time to time appoint one (but only one) person as an Observer by notice to the Company and shall be entitled to remove and replace any such Observer. The Observer shall act as a representative of the holders of A Shares and shall not be entitled to any remuneration whatsoever from the Company. The Observer shall be entitled to receive notice of and table items for discussion, attend and speak at Board meetings but shall have no right to vote. The Observer shall be entitled to receive all information sent to Directors in advance of Board meetings in accordance with these Articles.
- 43.4. Each A Director shall be entitled to be appointed as a director of each member of the Group and the parties shall exercise all such powers, and do all such things, as are necessary to procure that an A Director is (if he has so requested) appointed to the Board of members of the Group for so long as he is an A Director and to remove him if he ceases to be an A Director.

#### **FOUNDER DIRECTORS**

- 44.1. The Founder Shareholder, for so long as he holds one or more shares in the Company, may by notice in writing addressed to the Company and signed by or on behalf of such holder(s) and delivered to the registered office of the Company, appoint up to three persons (identified at his entire discretion) to be a director of the Company and remove any person so appointed by that Founder Shareholder (each a “**Founder Director**”).
- 44.2. In the event that a resolution of the members is proposed to remove any Founder Director from office then the Founder Shareholder will have (in relation to that resolution only) such additional number of voting rights in respect of each Ordinary Share held by him as results in that holder of Ordinary Shares in aggregate exercising 51% of the total voting rights of all of the shares in the Company on which voting rights are validly exercised in respect of that resolution.
- 44.3. Each Founder Director shall be entitled to be appointed as a director of each member of the Group and the parties shall exercise all such powers, and do all such things, as are necessary to procure that a Founder Director is (if he has so requested) appointed to the Board of members of the Group for so long as he is a Founder Director and to remove him if he ceases to be a Founder Director.

#### **B DIRECTOR & OBSERVER**

- 45.1. A B Share Majority may from time to time, by notice in writing addressed to the Company signed by or on behalf of each of them and delivered to the Office, appoint one person (identified at their entire discretion) to be a director of the Company and remove the person so appointed. Such director shall be known as the “**B Director**”.
- 45.2. The B Director shall be entitled to report back to the members appointing him (and any other member) on the affairs of the Company and its subsidiaries on a confidential basis and to disclose to such members on a confidential basis such information as he

shall reasonably consider appropriate including, for the avoidance of doubt, all papers distributed to the Directors.

- 45.3. A B Share Majority may from time to time appoint one (but only one) person as an Observer by notice to the Company and shall be entitled to remove and replace any such Observer. The Observer shall act as a representative of the holders of B Shares and shall not be entitled to any remuneration whatsoever from the Company. The Observer shall be entitled to receive notice of and table items for discussion, attend and speak at Board meetings but shall have no right to vote. The Observer shall be entitled to receive all information sent to Directors in advance of Board meetings in accordance with these Articles.
- 45.4. Each B Director shall be entitled to be appointed as a director of each member of the Group and the parties shall exercise all such powers, and do all such things, as are necessary to procure that a B Director is (if he has so requested) appointed to the Board of members of the Group for so long as he is a B Director and to remove him if he ceases to be a B Director.

#### CONFLICT OF INTEREST

- 46.1. The conflict of interest provisions contained in the Act, in particular section 173(2)(b), should be read in the light of the following Articles dealing with conflicts of interest.
- 46.2. If a situation arises in which a director (the “**Conflicted Director**”) has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) (a “**Situation**”) the following provisions shall apply:
- 46.2.1. the Directors (other than the Conflicted Director and any other Director with a similar interest who shall not be counted in the quorum at the meeting and shall not vote on the resolution); or
- 46.2.2. the members (by ordinary resolution or by notice in writing given to the Company by the holders of a majority of the shares),
- may resolve to authorise such Situation and the continuing performance by the Conflicted Director of his duties and confirm that the existence of such Situation shall not give rise to a breach of the duty of the Conflicted Director pursuant to section 175 of the Act (or as such section may be amended or restated or re-numbered from time to time). Any such authorisation may be subject to such conditions as the Directors or members (as applicable) may consider necessary or desirable.
- 46.3. In the execution of his duty to promote the success of the Company it is acknowledged that a director who is a Founder Director, an A Director or a B Director (a “**Directly Appointed Director**”) shall be entitled to have regard to and take account of the interests of the persons exercising the right to appoint him (the “**Appointers**”) and in doing so such Directly Appointed Director shall not have infringed their duty to exercise independent judgement in accordance with section 173 of the Act (or as such section may be amended or restated or re-numbered from time to time).
- 46.4. Notwithstanding Article 46.3 above, the existence of the following Situations relating to a Directly Appointed Director which do or may give rise to a conflict arising as a

result of the Directly Appointed Director's involvement with and relationship with his Appointer and the investment strategy and operations of the Appointer, shall be hereby authorised, without further approval being required by the Directors and/or the members (as appropriate) and consequently shall not give rise to a breach of duty to avoid conflicts of interest:

- 46.4.1. if the Directly Appointed Director is an Appointer;
- 46.4.2. if the Directly Appointed Director is a shareholder in and/or member and/or partner and/or employee of the Appointer;
- 46.4.3. if the Appointer acquires (directly or indirectly) a competitor of or a supplier to the Company or any other company within the Group, or a material interest therein;
- 46.4.4. if the Appointers or any person connected with an Appointer wishes to take up an opportunity that had been offered to, but declined by, the Group;
- 46.4.5. if the Directly Appointed Director is appointed by the Appointers, or any person connected with the Appointers, or is otherwise appointed as a director of any other company outside the Group, including a supplier of the Company but excluding a direct competitor;
- 46.4.6. if the Group is considering a refinancing proposed by or supported by the Appointers;
- 46.4.7. if the Appointers wish to exit their investment in the Group by way of a Share Sale, Listing, Asset Sale or otherwise;
- 46.4.8. if a Directly Appointed Director accepts a benefit from a third party conferred by reason of his being a director of the Company or his doing (or not doing) anything as a director, provided such benefit falls within section 176(4) of the Act (or as such section may be amended or restated or renumbered from time to time);
- 46.4.9. if the Directly Appointed Director consents or withholds consent or gives any direction pursuant to any Shareholders' Agreement and/or these Articles if the Directly Appointed Director and/or the Appointer, and/or any person connected with the Directly Appointed Director and/or Appointer and/or who is an Associate of the Directly Appointed Director and/or the Appointer, is a director or shareholder or employee of any person or company that is undertaking a business or activity that is the same or similar to the business of the Company or a member of the Group in so far as the business or activity of that person or company is focussed on a market segment in which the Company does not operate or does not intend to operate (taking account of any legal (including contractual) restrictions on its operations),
- 46.4.10. if a Directly Appointed Director consents or withholds consent or gives any direction pursuant to any Shareholders' Agreement and/or these Articles,

and the Directly Appointed Director shall be entitled to attend, be counted in the quorum and vote at any meeting of the Directors notwithstanding any such conflict or potential conflict.



- 46.5. Where the Directly Appointed Director obtains confidential information (other than through his position as a director of the Company) that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.

#### **ELECTRONIC COMMUNICATIONS**

- 47.1. Without prejudice to Article 48 of the Model Articles, notices and any other communications sent or supplied, by or to shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such shareholders or Directors).
- 47.2. For the purposes of Article 47.1, the Company can assume that any email addresses supplied to the Company, its officers or agents by shareholders or Directors are up to date and current, and it is the sole responsibility of each shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all shareholders and Directors agree that the Company has no responsibility to any shareholder or Director who fails to receive any notice or other communication as a result of the shareholder or Director failing to comply with this Article 47.2.
- 47.3. When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Act.
- 47.4. Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission.
- 47.5. The Company's obligation to send or supply any notice or communication to shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control.
- 47.6. Each shareholder and Director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or

communications from the Company in electronic form, and to the Company making information available on a website.

## SCHEDULE

### DEFINITIONS AND INTERPRETATION

1. In the Articles to which this forms a schedule the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

**"Act"** as defined in Article 1;

**"acting in concert"** shall bear the meaning attributed thereto in the Code;

**"A Director"** means the A Director appointed pursuant to Article 44.1;

**"Appointers"** as defined in Article 47.4;

**"AS Growth Share Service Agreement"** means the consultancy agreement entered into in May 2019 between Atterley.com Retail Limited and Alexandra Shulman pursuant to which Ms Shulman will provide services to the Group;

**"A Share Majority"** means in excess of 50% by nominal value of the A Shares in issue and which shareholders number not less than two;

**"A Shares"** means A ordinary shares of £0.10 each issued in the capital of the Company;

**"Asset Sale"** means a sale by the Company and/or the Group of all or a substantial part of the business, assets or undertaking of the Group;

**"Associate"** means:

- (a) the husband, wife, common law spouse, civil partner, mother, father, grandmother, grandfather, brother, sister, child, step child or other lineal ancestor or descendant by blood, adoption or marriage of the relevant person;
- (b) the trustees of any settlement (whether or not set up by the relevant person) under which the relevant person and/or any other Associate of the relevant person are the sole actual or potential beneficiaries;
- (c) any nominee or bare trustee for the relevant person or for any other Associate of the relevant person;
- (d) if the relevant person is a company, any subsidiary or holding company of the relevant person and any other subsidiary of any such holding company;
- (e) any person with whom the relevant person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of sections 1122 and 1123 Corporation Tax Act 2010; and
- (f) any person with whom the relevant person is acting in concert (such expression to have the same definition as that ascribed thereto in the Code as current at the relevant time);

(g) any person who is connected with the relevant person applying the definition set out in section 993 of the Income Tax Act 2007,

provided that no member shall be an Associate of another member solely as a result of them each being party to the Shareholders' Agreement;

**"Auditors"** means the auditors of the Company from time to time;

**"Bad Leaver"** means any Leaver other than a Good Leaver;

**"B Director"** means a director appointed (or designated) pursuant to Article 45.1;

**"Board"** means the board of directors of the Company from time to time;

**"B Share Majority"** means in excess of 50% of the fully paid B Shares in issue;

**"B Share Sale Notice"** shall have the meaning given to that term in the Shareholders' Agreement;

**"B Shares"** means B1 Shares, B2 Shares, B3 Shares, B4 Shares and B5 Shares which shares shall, for the purposes of these Articles, the Act and otherwise, be treated as one single class of shares and not 5 separate classes;

**"B1 Shares"** means B1 ordinary shares of £0.10 each issued in the capital of the Company;

**"B2 Shares"** means B2 ordinary shares of £0.10 each issued in the capital of the Company;

**"B3 Shares"** means B3 ordinary shares of £0.10 each issued in the capital of the Company;

**"B4 Shares"** means B4 ordinary shares of £0.10 each issued in the capital of the Company;

**"B5 Shares"** means B5 ordinary shares of £0.10 each issued in the capital of the Company;

**"Capital Distribution Event"** means a Winding Up or other return of capital by the Company;

**"CC Beneficial Owner"** means a person whose Shares are held on trust by CC NomineeCo;

**"CC NomineeCo"** means Crowdcube Nominees Limited (company number 09820478) or a Permitted Transferee of CC NomineeCo;

**"Change of Share Control"** has the meaning given in Article 42.2;

**"Class 1 Growth Shares"** means Class 1A Growth Shares, Class 1B Growth Shares and Class 1C Growth Shares;

**"Class 1A Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 1B Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 1C Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 2 Growth Shares"** means Class 2A Growth Shares, Class 2B Growth Shares and Class 2C Growth Shares;

**"Class 2A Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 2B Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 2C Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 3 Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 4 Growth Shares"** means Class 4A Growth Shares and Class 4B Growth Shares;

**"Class 4A Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 4B Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Class 5 Growth Shares"** means growth shares of £0.0001 each in the capital of the Company having the rights ascribed to such shares under the terms of these Articles;

**"Code"** means the City Code on Takeovers and Mergers;

**"Compulsory Transfer Notice"** means as defined in Article 39.2 (*compulsory transfers*);

**"Conflicted Director"** means as defined in Article 46.2;

**"Connected Person"** shall have the meaning ascribed to it in Sections 1122 and 1123 of the Corporation Tax Act 2010;

**"Deferred Shares"** means shares in the capital of the Company (the nominal value of which will be the same as the nominal value of the shares that convert into Deferred Shares) having the rights ascribed to Deferred Shares under the terms of these Articles;

**"Determined Price"** as defined in Article 40.1 (*Fair Price*);

**"Directors"** means the directors of the Company from time to time;

**"eligible member"** shall bear the meaning attributed thereto in Section 289(1) of the Act;

**"Employee Member"** means any member who is a trust for the benefit of employees of the Group, any member who is or was an employee of any member of the Group and any Employee Member Transferee;

**"Employee Member Transferee"** means any person who acquired shares from an Employee Member pursuant to a Permitted Transfer;

**"Event of Default"** means any member of the Company (excluding the Founder Shareholder) being subject to the following:

- (a) the passing of a resolution for the liquidation of the member, other than a solvent liquidation for the purpose of the reconstruction or amalgamation of the member, in which a new company assumes (and is capable of assuming) all the obligations of the member (provided that such reconstruction or amalgamation does not result in a transfer of the member's shares in the Company to any person other than a Permitted Transferee); or
- (b) the presentation at court by any competent person of a petition for the winding up of the member and which is granted and has not been withdrawn or dismissed within seven days of such presentation; or
- (c) the appointment of an administrator to the member; or
- (d) the appointment of a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of a member; or
- (e) the shareholder being found to be unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- (f) the shareholder entering into a composition or arrangement with its creditors generally; or
- (g) any member who is a natural person granting a charge over the shares in the Company and/or any chargor taking any steps to enforce any charge created over any shares held by the member in the Company; or
- (h) a material or persistent breach: (i) by the member of any shareholders' agreement to which it is a party in relation to the shares in the Company; and/or (ii) by the member (or by any person who was issued with the shares in question and who directly or indirectly transferred those shares to the member (the **"Original Consulting Member"**)) of any consultancy agreement to which that member or the Original Consulting Member (or a personal service company under which the services of such persons were supplied) and the Company or any Group Company are parties for the provision of services to the Company; and/or (iii) the PDS Subscription Agreement;
- (i) any member who is an individual being sequestrated, made bankrupt or having an obligation (whether by order of court or settlement agreement or

otherwise) imposed to transfer the shares or assign any rights deriving from the shares to a third party; or

- (j) death in circumstances where the Board, having made (or attempted to make) reasonable enquiries of the personal representatives of the dead member, determine on reasonable grounds that the shares held by the member or any part of them will be transferred (pursuant to a will or under rules of intestacy) to persons who are not Permitted Transferees of the member (and if part of the shareholding will be available to a Permitted Transferee and part would not, the Event of Default applies only to that part that is shown on reasonable enquiry to be expected to be transferred to someone which is not a Permitted Transferee); or
- (k) any executor or personal representatives taking possession of shares for the estate of a deceased member and not serving a transfer notice, or divesting of the shares to a Permitted Transferee of the deceased holder of shares, within 12 months of the date of death (unless the consent of the Board has been obtained to an extended period);

**"Exit Proceeds"** means:

- (a) in the case of a Share Sale, the aggregate amount of the cash consideration payable in respect of the shares being sold less all transaction costs to be deducted from the consideration and for this purpose cash consideration shall be deemed to include the cash value of any non-cash consideration payable in connection with the Share Sale (as determined by the Auditors acting as an expert and not as an arbitrator); and
- (b) in the case of a Capital Distribution Event, the amount of capital and assets of the Company available for distribution to its shareholders,

save that, in the case of either a Share Sale or a Capital Distribution Event, any element of cash consideration which is deferred, contingent and/or unquantified is excluded and such consideration shall be dealt with in accordance with Article 7.4.3;

**"Fair Price"** means the price per share determined in accordance with Article 40 (*fair price*);

**"Family Settlement"** means in relation to any member who is a natural person any trust or trusts (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or on intestacy) under which no immediate beneficial interest in the shares in question is, for the time being, vested in any person other than the member concerned and/or his Privileged Relations;

**"Founder Director"** means a director appointed (or designated) pursuant to Article 44.1;

**"Founder Shareholder"** means Michael Arthur Welch whose address at the date of these Articles is set out in the Shareholders' Agreement;

**"Good Leaver"** means a Leaver where the cessation of employment and/or office as a director is as a result of any of the following circumstances:

- (a) retirement in accordance with his terms of employment with the consent of the Board and an Investor Majority;
- (b) death;
- (c) serious ill health or permanent mental or physical incapacity;
- (d) resignation in order to care for a parent or spouse or partner or brother or sister or any lineal descendent who is suffering from severe and/or persistent illness or disablement and requiring substantially full-time care (such illness or disablement manifesting itself after the date of adoption of these Articles);
- (e) redundancy;
- (f) the termination of the Leaver's employment by the Company (or any subsidiary of the Company) except where the Company (or any subsidiary of the Company) is entitled to terminate the employment contract of the Leaver summarily or with immediate effect in circumstances where the Leaver is not entitled to notice or payment in lieu of notice in accordance with the terms of the employment contract other than in any of the circumstances under (a) to (e) above;
- (g) the Leaver terminating his or her employment contract with the Company (or any subsidiary of the Company) in circumstances that are determined by an employment tribunal or court to be or to amount to constructive dismissal;

**"Group"** means the Company and its subsidiaries from time to time and **"member of the Group"** shall be construed accordingly;

**"Growth Shares"** means each of Class 1 Growth Shares, Class 2 Growth Shares, Class 3 Growth Shares, Class 4 Growth Shares and Class 5 Growth Shares;

**"Investor Majority"** means both of:

- (a) an A Share Majority; and
- (b) a B Share Majority;

**"ITA"** means the Income Tax Act 2007;

**"Leaver"** means any holder of shares who is employed by and/or is a director of the Company or a relevant member of the Group from time to time (specifically excluding an A Director, B Director, the Founder Shareholder and/or his Permitted Transferees) and who:

- (a) serves or is served with notice of termination of his employment and/or directorships with all members of the Group by whom he is employed or of which he is a director; or
- (b) who dies; or
- (c) who ceases to be an employee and/or director of the Company or any such member of the Group (whether or not his contract of employment is validly



terminated and/or whether or not such termination is wrongful or unfair or otherwise); or

- (d) who ceases to be an employee and/or director of a member of the Group because such member of the Group ceases to be a member of the Group and does not continue (or is not immediately re-employed) as an employee and/or director of the Company or any such member of the Group,

save that a Founder Director shall not be a Leaver notwithstanding the termination of his office and/or employment unless and until the Founder Shareholder requests in writing to the Company that he be treated as such. Any reference in these Articles to a Leaver shall not include any Permitted Transferee of a Leaver who becomes entitled to a Leaver's shares by transmission following the death of a Leaver;

**"Listing"** means the admission of the Company's equity securities to trading on the London Stock Exchange, the Alternative Investment Market or any Recognised Investment Exchange (as such term is defined in Section 285 of the Financial Services and Markets Act 2000) or any investment exchange which meets the criteria specified in Part I or specified in Part II or Part III at Schedule 3 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 becoming effective;

**"London Stock Exchange"** means the London Stock Exchange PLC;

**"Maximum"** as defined in Article 38.3;

**"member"** means a person (whether an individual or a corporation) who holds shares in the Company;

**"Model Articles"** means as defined in Article 1;

**"Observer"** means any person appointed pursuant to Article 43.3;

**"Offer Period"** as defined in Article 38.3;

**"Office"** means the registered office of the Company;

**"Ordinary Shares"** means ordinary shares of £0.10 issued in the capital of the Company;

**"PDS Group"** means Smart Notch Industrial Limited, a company registered in Hong Kong with Certificate of Incorporation No. 2629412, and its holding, subsidiary, associate and affiliate companies;

**"PDS Subscription Agreement"** means the agreement between the Company and Smart Notch Industrial Limited, a company registered in Hong Kong with Certificate of Incorporation No. 2629412, dated 26 September 2018;

**"Permitted Issues"** means: (a) the issue of shares pursuant to the special resolution passed on 3 April 2020; (b) the issue of Class 3, Class 4 and Class 5 Growth Shares on or after the date of adoption of these Articles pursuant to the AS Growth Share Service Agreement; and (c) any other issue of shares approved by special resolution of the Company;

**"Permitted Options"** means options to subscribe for up to a further 115,560 Ordinary Shares (noting that the Class 3, Class 4 and Class 5 Growth Shares when issued on or around the date of adoption of these Articles will reduce the Permitted Options pool on a 1 for 1 basis) provided such options are granted to existing and/or new employees, directors or consultants of any Group Company (and not to the Founder Shareholder and/or his Connected Persons) on terms and to beneficiaries approved by the Board with the consent of an Investor Majority. The number of Permitted Options may be updated by special resolution of the members from time to time;

**"Permitted Transfer"** means a transfer of shares pursuant to Article 37 (*permitted transfers*);

**"Permitted Transferee"** means: (a) in respect of any member who is a natural person, any Privileged Relation or Family Settlement of that member; and (b) in relation to CC NomineeCo, another trust company.

**"Privileged Relation"** means in respect of any member who is a natural person the parent or spouse or civil partner or brother or sister of the member or any lineal descendent of the member and for these purposes the step-child or adopted child of any person shall be deemed to be that person's lineal descendent;

**"Register of Members"** means the register of members kept by the Company pursuant to Section 113 of the Act;

**"Sale"** means the acquisition of more than 50% of the Voting Rights by any person (or by persons who in relation to each other are acting in concert) or the purchase by any person who is not a member of the Group (or by persons who in relation to each other are acting in concert) of all or substantially all of the assets of the Company;

**"Sale Shares"** as defined in Article 38.2;

**"Shareholders' Agreement"** means any shareholders' agreement entered into by the Company and any holder of shares from time to time in respect of the economic entitlement of shareholders and/or management of the Company;

**"shares"** means shares in the share capital of the Company;

**"Share Sale"** means the sale of (or the grant of a right to acquire or to dispose of) any of the issued shares (in one transaction or as a series of transactions) which will result in the purchaser of such shares (or grantee of such right), and persons acting in concert with him, together acquiring a Controlling Interest in the Company;

**"Situation"** as defined in Article 46.2;

**"SP Growth Share Service Agreement"** means the consultancy agreement entered into on or around April 2019 between Atterley.com Retail Limited and Stuart Paterson pursuant to which Mr Paterson will provide services to the Group;

**"Specified Price"** as defined in Article 42.1;

**"Termination Date"** means, in respect of any Leaver, the later of the date upon which the contract of employment or appointment as director of the relevant Leaver terminated and the date upon which the relevant Leaver ceased to be employed by

or a director of the relevant member of the Group (in each case whether or not such termination or cessation was lawful, wrongful, unfair or otherwise);

**"Transfer Notice"** as defined in Article 38.1;

**"Valuer"** means the Auditors (or, in the event of their being unwilling or unable to act, at the option of the Company an independent firm of chartered accountants nominated by the President of the Institute of Chartered Accountants of Scotland (or his equivalent from time to time)) in each case acting as an expert and not as an arbiter;

**"Vested Growth Shares"** means Growth Shares that , as a result of the lapse of time, have become Vested Growth Shares in terms of Articles 7.17, 7.18, 7.20, 7.21 or 7.22 (as applicable to the particular Growth Shares);

**"Voting Rights"** means the right to receive notice of, attend (in person or by proxy), speak (in person or by proxy) and vote (in person or by proxy) at general meetings of a company; and

**"Winding Up"** means a winding up (whether voluntary or involuntary and whether insolvent or otherwise), dissolution or liquidation of the Company;

2. Words and expressions defined in the Act shall, unless the context otherwise requires, bear the same meanings herein.
3. This Schedule shall be deemed to be part of, and shall be construed as one with, the Articles.
4. Where any notice or resolution requires to be signed by the Company, a Director or any member, the parties agree that forms of electronic signature (such as DocuSign or similar electronic tools) may be validly used and accepted for the purpose provided they provide clear evidence of agreement by the Company, Director or member of their agreement to the relevant resolution or matter.