

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

LIGHTWAVERF LTD

(Adopted by a special resolution passed on 2022)

CONTENTS

CLAUSE NO.		PAGE NO.
1	INTRODUCTION	4
2	DEFINITIONS	4
3	SHARE CAPITAL.....	11
4	DIVIDENDS	12
5	NO LIQUIDATION PREFERENCE	12
6	EXIT PROVISIONS.....	13
7	VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS	13
8	CONSOLIDATION OF SHARES	13
9	ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION	14
10	TRANSFERS OF SHARES – GENERAL	15
11	PERMITTED TRANSFERS	17
12	TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS	18
13	COMPULSORY TRANSFERS – GENERAL	20
14	MANDATORY OFFER ON A CHANGE OF CONTROL	20
15	DRAG-ALONG	22
16	MAINSRING INVESTOR TAG ALONG RIGHTS	24
17	DIRECTORS' BORROWING POWERS	25
18	ALTERNATE DIRECTORS	25
19	NUMBER OF DIRECTORS	27
20	INVESTOR DIRECTOR AND CHAIRMAN	27
21	PROCEEDINGS OF DIRECTORS.....	27
22	DIRECTORS' INTERESTS.....	29
23	NOTICES.....	32
24	DATA PROTECTION	34
25	SECRETARY.....	35
26	LIEN	35

27	FUTURE FUND PUT OPTION.....	35
28	FUTURE FUND	36
29	VALUATION OF LEAVER'S SHARES.....	36
30	UNCERTIFICATED SECURITIES	37

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1 INTRODUCTION

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Date of Adoption (as defined below) (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - 1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4) and 51 of the Model Articles shall not apply to the Company;
 - 1.3.4 reference to "**issued Shares**" shall exclude any Shares held as treasury shares from time to time, unless stated otherwise; and
 - 1.3.5 reference to the "**holders**" of Shares shall exclude the Company holding treasury shares from time to time, unless stated otherwise.

2 DEFINITIONS

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

A Ordinary Shares	the A Ordinary shares of £0.001 each in the capital of the Company from time to time.
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Act	the Companies Act 2006 (as amended from time to time).
Acting in Concert	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).
Asset Sale	the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business).
Associate	<p>(i) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);</p> <p>(ii) any Member of the same Group;</p> <p>(iii) any Member of the same Fund Group.</p>
Associated Government Entities	a) any UK Government departments, including their executive agencies, other subsidiary bodies and other parts of UK Government; b) companies wholly or partly owned by UK Government departments and their subsidiaries; c) non-departmental public bodies, other public bodies, public corporations and their subsidiary bodies sponsored by UK Government departments; and/or d) any successors to any of the entities set out in (a), (b) and (c) above or any new bodies which fall within the same criteria.
Auditors	the auditors of the Company from time to time or, if there are none, the accountants who prepare the statutory accounts of the Company.
Available Profits	profits available for distribution within the meaning of part 23 of the Act.
Board	the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles.
Business Day	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday).
Cessation Date	the date on which an Employee Shareholder gives notice to or receives notice from the Company (or relevant member of the Group) to terminate his employment with the Company or a member of the Group.

Chairman	has the meaning given in Article 20.6.
Civil Partner	in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder.
Company	Lightwaverf Ltd (company number 06690180).
Controlling Interest	an interest in Shares giving to the holder or holders greater than 50% of the voting rights in the Company.
CREST	the relevant system (as defined in the CREST Regulations) in accordance with which securities may be held or transferred in uncertificated form, and in respect of which Euroclear UK and Ireland Ltd is the Operator (as defined in the CREST Regulations);
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations;
CREST Rules	means those rules made by Euroclear UK & Ireland with respect to the provision of CREST;
CREST Enablement Period	a period during which title to units of the Ordinary Shares are capable of electronic transfer and settlement by means of the CREST relevant system
CTA 2010	the Corporation Tax Act 2010.
Date of Adoption	the date on which these Articles were adopted.
Director(s)	a director or directors of the Company from time to time.
electronic address	has the same meaning as in section 333 of the Act.
electronic form and electronic means	have the same meaning as in section 1168 of the Act.
Eligible Director	a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors.
Employee	an individual who is employed by the Company or any member of the Group.
Employee Shareholder	any Employee who holds Equity Shares whether as a result of exercising option(s) under any Share Option Plan(s) or not.
Employee Trust	a trust whose beneficiaries are Employees.
Encumbrance	any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other

	encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law).
Equity Shares	Ordinary Shares and A Ordinary Shares.
Executive Shareholders	Jason Gary Elliott, Kevin John Edwards and John Thomas Shermer.
Expert Valuer	has the meaning given in Article 29.1.2.
Fair Value	is as determined in accordance with Article 29.
Family Trusts	as regards any particular individual Shareholder or deceased or former individual Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons.
FF CLA	the convertible loan agreement dated 22 nd December 2020 made between (1) the Company (2) Future Fund and (3) Future Fund, Mainspring Nominees (8) Limited, Jason Gary Elliott and Kevin John Edwards.
FF CLA Completion	completion of the subscription by the FF CLA Lenders for A Ordinary Shares pursuant to clause 5.a.(i) of the FF CLA.
FF CLA Completion Date	the date on which the FF CLA Completion takes place.
FF CLA Lenders	the persons who advanced loan monies to the Company pursuant to the FF CLA.
First Anniversary	the first anniversary of the Date of Adoption.
Fund Manager	a person whose principal business is to make, manage or advise upon investments in securities.
Future Fund	UK FF Nominees Limited, a company incorporated in England and Wales with company registration number 12591650 and whose registered office address is at 5

	Churchill Place, 10 th Floor, London, England, E14 5HU.
Group	the Company and its Subsidiary Undertaking(s) (if any) from time to time and " Group Company " shall be construed accordingly.
hard copy form	has the same meaning as in section 1168 of the Act.
Institutional Investor	any fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing, other than an Institutional Investor who the Board determines in its reasonable discretion is a competitor with the business of the Company;
Investor Director	has the meaning given in Article 20.1.
ITEPA	Income Tax (Earnings and Pensions) Act 2003.
Leaver	an Employee Shareholder who ceases to be such;
Mainspring Investors	Mainspring Nominees (8) Limited (registered in England with no 09225174, MNL Nominees Limited (registered in England with no 09512864) and/or WCS Nominees Limited (registered in England with no 06002307).
Member of the same Fund Group	<p>(i) in the case of MNL Nominees Limited (company number 09512864), Mainspring Nominees (8) Limited (company number 09225274) and WSC Nominees Limited (company number 06002307) (and vice versa);</p> <p>(ii) if the Shareholder is a fund, partnership, company, syndicate or other entity or a group of individuals whose business is managed by a fund manager (an "Investment Fund") or is a nominee of that Investment Fund:</p> <p>(a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);</p> <p>(b) any Investment Fund managed or advised by that Fund Manager;</p> <p>(c) any Parent Undertaking or Subsidiary Undertaking</p>

of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or

(d) any trustee, nominee or custodian of such Investment Fund and vice versa.

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

New Securities any Shares or other securities convertible into, or carrying the right to subscribe for, Shares issued by the Company after the Date of Adoption.

Ordinary Shares the Ordinary shares of £0.05 each in the capital of the Company from time to time.

Permitted Transfer a transfer of Shares which is in accordance with and permitted by Article 11.

Permitted Transferee (i) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;

(ii) in relation to any Shares held by the Mainspring Investors, a transfer from one Mainspring Investor to another, or a transfer of the beneficial interest from one beneficial owner to another, provided that such Shares remain legally held by the Mainspring Investors following such transfer;

(iii) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the same Group;

(iv) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group;

(v) on a change of trustees of an Employee Trust, by those trustees to the new or remaining trustees of the Employee Trust;

(vi) by the trustees of an Employee Trust to some or all of the beneficiaries of the Employee Trust; or

(vii) any person approved by the Board.

Privileged Relation in relation to a Shareholder who is an individual member or deceased or former member means a

	spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue).
Proceeds of Sale	the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees, costs and expenses payable in respect of such Share Sale).
Proposed Purchaser	a proposed purchaser who at the relevant time has made an offer on arm's length terms.
Proposed Seller	any person proposing to transfer any Shares.
Put Option	has the meaning set out in Article 27.
Put Option Notice	has the meaning set out in Article 27.1.1.
Relevant Shares	all Equity Shares held by an Employee Shareholder and/or his or her Permitted Transferees (and/or any Permitted Transferee of any such Permitted Transferees) at the Cessation Date.
Qualifying Company	a company in which a Shareholder or Trustee(s) holds issued shares and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010).
Relevant Interest	has the meaning set out in Article 22.5.
Sale Shares	has the meaning set out in Article 12.2.1.
Seller	has the meaning set out in Article 12.2.
Shareholder	any holder of any Ordinary Shares.
Share Option Plan(s)	any share option plan or plans of the Company for the benefit of Employees approved by the Board, under which may be granted options over up to a maximum of:- <ul style="list-style-type: none"> (i) during the period between three and nine months from the Date of Adoption, such number of Equity Shares as, when aggregated with the number of Equity Shares over which there are Subsisting Options, comprises 16.4% of the fully diluted issued share capital of the Company as at the date three months after the Date of Adoption; and (ii) after the expiry of the First Anniversary,, the lesser of (a) 45,383,831 Equity Shares and (b) such number of Equity Shares as, when aggregated with the number of Equity Shares over which there are

Subsisting Options (including any granted pursuant to paragraph (i) above), comprises 16.4% of the fully diluted issued share capital of the Company as at the First Anniversary.

Shares	the Equity Shares from time to time in issue.
Share Sale	the sale of (or the grant of a right to acquire or to dispose of) any of the Shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those Shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders of such purchaser(s) and the proportion of shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale.
Subsidiary, Subsidiary Undertaking and Parent Undertaking	have the respective meanings set out in sections 1159 and 1162 of the Act.
Subsisting Options	options to subscribe for Equity Shares which are, at the relevant date, valid, subsisting and which have not been terminated.
Takeover Code	The City Code on Takeovers & Mergers
Transfer Notice	shall have the meaning given in Article 12.2.
Transfer Price	shall have the meaning given in Article 12.2.
Trustees	in relation to a Shareholder means the trustee or the trustees of a Family Trust.

3 **SHARE CAPITAL**

- 3.1 The share capital of the Company shall comprise Ordinary Shares and A Ordinary Shares.
- 3.2 The Ordinary Shares and the A Ordinary Shares shall, except as otherwise provided in these Articles, rank pari passu in all respects and as a single class of shares.
- 3.3 The words “and the directors may determine the terms, conditions and manner of redemption of any such shares” shall be deleted from article 22(2) of the Model Articles.
- 3.4 The Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.

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

4 DIVIDENDS

- 4.1 In respect of any financial year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company may determine to distribute in respect of any financial year will be distributed among the holders of the Equity Shares pro rata to their respective holdings of Equity Shares.
- 4.3 Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Every dividend shall accrue on a daily basis assuming a 365-day year. All dividends are expressed net and shall be paid in cash.
- 4.5 If there are nil paid or partly paid Share(s), any holder of such Share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such Share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.6 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.7 Article 31(1) of the Model Articles shall be amended by:
- 4.7.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words “in writing”; and
- 4.7.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

5 NO LIQUIDATION PREFERENCE

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) among the holders of Equity Shares pro rata to the number of Equity Shares held.

6 EXIT PROVISIONS

- 6.1 On a Share Sale the Proceeds of Sale shall be distributed as set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale.
- 6.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) as set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Board (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 applies.

7 VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 7.1 The Equity Shares shall confer on each holder of Equity Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.2 Where Shares confer a right to vote, on a show of hands each holder of such Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 7.3 No voting rights attached to a Share which is nil paid or partly paid may be exercised:
- 7.3.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
- 7.3.2 on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that Share have been paid.

8 CONSOLIDATION OF SHARES

- 8.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 8.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by special resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to

any restriction as compared with the others.

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

9.1 The Directors may exercise any power of the Company:-

9.1.1 to allot Equity Shares; or

9.1.2 to grant rights to subscribe for Equity Shares.

9.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Shares made by the Company.

9.3 Unless otherwise agreed by special resolution, and subject to Article 9.7, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the “**Subscribers**”) on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares held by those holders (as nearly as may be without involving fractions). The offer:

9.3.1 shall be in writing, be open for acceptance from the date of the offer to the date ten (10) Business Days after the date of the offer (inclusive) (the “**Subscription Period**”) and give details of the number and subscription price of the New Securities; and

9.3.2 may (but is not required to) stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.

9.4 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Equity Shares held by such Subscribers which (if applicable) procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).

9.5 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.

9.6 Subject to the requirements of Articles 9.3 to 9.5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

9.7 The provisions of Articles 9.3 to 9.6 (inclusive) shall not apply to:

9.7.1 options granted from time to time to subscribe for Equity Shares under any

Share Option Plan or to the allotment or issue of Equity Shares pursuant to any Share Option Plan;

9.7.2 New Securities issued in consideration of the acquisition by the Company of any company or business, which has been approved in writing by the Board; and

9.7.3 New Securities issued as a result of a bonus issue of Shares, which has been approved in writing by the Board.

9.8 If so required by the Board, no Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company.

10 TRANSFERS OF SHARES – GENERAL

10.1 In Articles 10 to 16 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.

10.2 No Share may be transferred unless the transfer is made in accordance with these Articles.

10.3 If a Shareholder transfers or purports to transfer a Share or any interest therein otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him and Article 29 shall apply in determining the Transfer Price for such Transfer Notice.

10.4 Any transfer of a Share by way of sale which is required to be made under Articles 12 to 16 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

10.5 Save, during the CREST Enablement Period, that an action is incompatible with the CREST Rules the Directors may refuse to register a transfer if:

10.5.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

10.5.2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;

10.5.3 it is a transfer of a Share which is not fully paid:

(i) to a person of whom the Directors do not approve; or

(ii) on which Share the Company has a lien;

10.5.4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;

- 10.5.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 10.5.6 the transfer is in favour of more than four transferees; or
- 10.5.7 these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 10.6 The Directors may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), and shall where the transferee is a Permitted Transferee of any party to a deed or agreement between all or any of the holders of Equity Shares require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of such deed or agreement in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 10.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 10.7 To enable the Directors to determine whether or not there has been any disposal of Shares (or any interest in Shares) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Board may, in its absolute discretion, notify the holder of such Shares in writing of that fact and that any or all of the following shall occur:
 - 10.7.1 the relevant Shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company); and/or
 - 10.7.2 payment of all dividends or other distributions otherwise attaching to the relevant Shares or to any further Shares issued in respect of those Shares shall be withheld; and/or
 - 10.7.3 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in 10.7.1 and 10.7.2 may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in 10.7.3 above.

10.8 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

10.8.1 the transferor; and

10.8.2 (if any of the Shares is partly or nil paid) the transferee.

11 PERMITTED TRANSFERS

11.1 A Shareholder may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.

11.2 The personal representatives of a deceased Shareholder may, with the prior consent of the Board (such consent not to be unreasonably withheld or delayed), transfer Equity Shares in accordance with such deceased Shareholder's will or laws as to intestacy without restriction as to price or otherwise.

11.3 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or, with the prior consent of the Board, to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.

11.4 No transfer of Shares may be made to Trustees unless the Board (acting reasonably) is satisfied:

11.4.1 with the terms of the trust instrument and in particular with the powers of the trustees;

11.4.2 with the identity of the proposed trustees;

11.4.3 the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and

11.4.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

11.5 *Permitted transfer rights of the Future Fund*

11.5.1 The Future Fund shall at any time be entitled to transfer its any shares in the capital of the Company that are held by the Future Fund, without restriction as to price or otherwise and free of pre-emption rights howsoever expressed to: a) any Associated Government Entities; or b) an Institutional Investor that is acquiring the whole or part (being not fewer than 10 companies, including the Company) of the Future Fund's interest in a portfolio of investments which comprise or result from the conversion of unsecured convertible loans substantially on the same terms as the convertible loan agreement between the Future Fund and the Company, provided always that such transaction(s) is bona fide in all respects.

- 11.5.2 Any Equity Shares may be transferred without restriction as to price and free of pre-emption rights howsoever expressed upon and pursuant to the exercise of the Put Option pursuant to Article 27.

12 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 12.1 Except in the case of Permitted Transfers and as expressly provided for in Articles 13, 14, 15 and 16, any transfer of Shares by a Shareholder, other than a transfer of Ordinary Shares effected during the CREST Enablement Period, shall be subject to the pre-emption rights contained in this Article 12.
- 12.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:
- 12.2.1 the number of Shares which he wishes to transfer (the "**Sale Shares**");
- 12.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- 12.2.3 the price at which he wishes to transfer the Sale Shares ("**Transfer Price**").

Where a Transfer Notice is deemed to have been given pursuant to Articles 10.3 or 13.2.5 the Transfer Price will be the price agreed by the Seller and the Board within ten Business Days of the date on which the Transfer Notice shall be deemed to have been given or, failing agreement within such period, Fair Value determined in accordance with Article 29.

- 12.3 Except with the written consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.
- 12.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

Within three months following the date of receipt of a Transfer Notice the Board shall offer the Sale Shares for sale to the Shareholders at the Transfer Price on the basis set out in Article 12.5. The offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

12.5 *Transfers: Offer*

- 12.5.1 The Board shall offer the Sale Shares to all Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date ten (10) Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 12.5.2 If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the

total number of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

- 12.5.3 If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 12.6.4.

12.6 *Completion of transfer of Sale Shares*

- 12.6.1 The Board shall, when no further offers are required to be made under Article 12.5 and once the requirements of Article 14 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than five (5) Business Days nor more than ten (10) Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- 12.6.2 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

- 12.6.3 If the Seller fails to comply with the provisions of Article 12.6.2:

- (i) the Chairman or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:

12.6.3.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

12.6.3.1.2 receive the Transfer Price and give a good discharge for it; and

12.6.3.1.3 (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

- (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

- 12.6.4 If an Allocation Notice does not relate to all the Sale Shares then, subject

to Article 12.6.5, the Seller may, within eight (8) weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price equal to or greater than the Transfer Price.

- 12.7 Any Sale Shares offered under this Article 12 to a Shareholder may be accepted in full or part only by a Permitted Transferee of that Shareholder in accordance with the terms of this Article 12.

13 COMPULSORY TRANSFERS – GENERAL

- 13.1 The Board may, and shall if required by the Investor Director, by written notice given at any time within 30 days of the Cessation Date, require any Leaver to transfer all or any of his Relevant Shares.

- 13.2 If required by the Investor Director, a Leaver's Relevant Shares shall be capable of transfer and shall be transferred to any or all of the following persons for the purposes of Article 13.1 at Fair Value:

13.2.1 an Employee Trust;

13.2.2 a person or persons intended to take the relevant Employee's place;

13.2.3 any existing Employee;

13.2.4 the Company; and/or

13.2.5 other Shareholders in accordance with the pre-emption provisions in Article 12 in which case the Leaver will be deemed to have given a Transfer Notice at his Cessation Date in respect of all Equity Shares held by him and specified in such Transfer Notice that the price for such Equity Shares shall be Fair Value.

- 13.3 The relevant Employee and all of his Permitted Transferees will transfer such of his Relevant Shares to such persons as they are directed to transfer them to pursuant to Article 13.2 free from all Encumbrances and together with all rights attaching to them on the terms set out in Article 13.4.

- 13.4 The price of the Relevant Shares to be transferred pursuant to Articles 13.1 to 13.3 will, unless otherwise agreed by the Seller and the Board with Investor Director Consent, be their Fair Value.

- 13.5 If any Leaver or any Permitted Transferees fail to execute a stock transfer form in respect of any Relevant Shares he is required to transfer pursuant to Article 13.1, Article 12.6.3 shall apply as if references therein to the Seller are to the Leaver and references to the Transfer Price are to the price determined or agreed pursuant to Article 13.4.

14 MANDATORY OFFER ON A CHANGE OF CONTROL

- 14.1 Except in the case of Permitted Transfers, and transfers pursuant to and in accordance with Article 15, and save for periods when the Company is subject to the application of the Takeover Code, the provisions of Article 14.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related

transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.

14.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Shares for a consideration per Share the value of which is at least equal to the Specified Price (as defined in Article 14.6).

14.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least ten (10) Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").

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

14.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all Shares held by the Accepting Shareholder.

14.6 For the purpose of this Article:

14.6.1 the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:

- (i) in the Proposed Transfer; or
- (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in Article 14.6.2, of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**") provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed in accordance with the provisions of Articles 5 and 6;

14.6.2 **Relevant Sum** = $C \div A$

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

C = the Supplemental Consideration.

14.7 Article 12 shall apply to transfers of Shares by Proposed Sellers pursuant to this Article, but Article 12 shall not apply to transfers of Shares by Accepting Shareholders pursuant to this article.

15 DRAG-ALONG

15.1 Except in the case of Permitted Transfers, if the holders of more than sixty per cent (60%) of the Equity Shares in issue from time to time (the "**Selling Shareholders**"), wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and together the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article.

15.2 The Selling Shareholders may only exercise the Drag Along Option if the Drag Consideration (as defined in Article 15.5) comprises cash or marketable securities. For the avoidance of doubt no Called Shareholder shall be required to provide to the purchaser any representations or warranties or indemnities concerning the Company or any covenants or other undertakings (including but not limitation to non-compete and non-solicitation covenants) upon exercise of a Drag Along Option.

15.3 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

15.3.1 the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;

15.3.2 the person to whom they are to be transferred;

15.3.3 the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article);

15.3.4 the proposed date of transfer, and

15.3.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**"),

(and, in the case of Articles 15.3.2 to 15.3.4 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

15.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within sixty (60) Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

15.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be

obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 (the "**Drag Consideration**").

- 15.6 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.
- 15.7 Within five (5) Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Completion Date**"), each Called Shareholder shall deliver:
- 15.7.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - 15.7.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - 15.7.3 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "**Drag Documents**").
- 15.8 On the Drag Completion Date, the Company shall pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. The Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 15.9 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 15 in respect of their Shares.
- 15.10 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 15 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed

indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.

- 15.11 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 12.
- 15.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire Shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

16 MAINSPRING INVESTOR TAG ALONG RIGHTS

- 16.1 Except in the case of Permitted Transfers or transfers pursuant to Articles 14 or 15, the provisions of Articles 16.2 to Article 16.6 shall apply if, in one or a series of related transactions, an Executive Shareholder proposes to transfer any of his Shares (**Proposed Executive Transfer**) to any person (Executive **Buyer**).
- 16.2 Before making a Proposed Executive Transfer, the Executive Shareholder shall procure that the Executive Buyer makes an offer (**Executive Offer**) to each of the Mainspring Investors to purchase pro rata such number of Shares from each Mainspring Investor as corresponds to the percentage of Shares that the Proposed Executive Transfer bears to the total number of Shares held by the Executive Shareholder for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Executive Buyer, or any person Acting in Concert with the Executive Buyer, in the Proposed Executive Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Executive Transfer.
- 16.3 The Offer shall be made by written notice to the Investor Director and the Mainspring Investors (**Executive Offer Notice**), at least 10 Business Days before the proposed sale date (**Executive Sale Date**). To the extent not described in any accompanying documents, the Executive Offer Notice shall set out:
- 16.3.1 the identity of the Executive Buyer;
 - 16.3.2 the price at which Shares are to be transferred pursuant to the Proposed Executive Transfer and other terms and conditions of payment;
 - 16.3.3 the Executive Sale Date; and
 - 16.3.4 the number of Shares proposed to be purchased by the Executive Buyer (**Offer Executive Shares**).
- 16.4 If the Executive Buyer fails to make the Executive Offer to each Mainspring Investor in accordance with Articles 16.2 and article 16.3, the Executive Shareholder shall

not be entitled to complete the Proposed Executive Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Executive Transfer.

- 16.5 If the Executive Offer is accepted by the Mainspring Investors in writing within 15 Business Days of receipt of the Executive Offer Notice, the completion of the Proposed Executive Transfer shall be conditional on completion of the purchase by the Executive Buyer of all the Offer Executive Shares held by the Mainspring Investors.
- 16.6 The Proposed Executive Transfer is subject to the pre-emption provisions of Article 12 but the purchase of Shares from the Mainspring Investors shall not be subject to those provisions.

17 **DIRECTORS' BORROWING POWERS**

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

18 **ALTERNATE DIRECTORS**

- 18.1 In the event that a Director is unable to attend a meeting of the Board (the "**Original Director**"), that Original Director shall be entitled, subject to the provisions of this Article 18, to appoint:

18.1.1 any Director; or

18.1.2 any other person as he thinks fit,

to be his alternate Director for the purposes of attending that meeting of the Board and carrying out that Director's responsibilities in relation to the taking of decisions by the Directors at that meeting in the absence of the Original Director.

- 18.2 The appointment of an alternate Director shall require:

18.2.1 the prior written consent of any person(s) who appointed the Original Director to the Board (if applicable); and

18.2.2 approval by a resolution of the Directors,

and shall be subject to any other arrangements in place from time to time in respect of the appointment of alternate Directors.

- 18.3 Any appointment of an alternate must be effected by notice in writing to the Company signed by:

18.3.1 the Original Director; and

18.3.2 the person(s) who appointed the Original Director to the Board (if applicable).

- 18.4 The notice must:
- 18.4.1 identify the proposed alternate; and
 - 18.4.2 identify the meeting of the Board in respect of which the alternate is being appointed (or state that the appointment of the alternate lasts until such time as it is terminated by the appointor in writing);
 - 18.4.3 contain a statement signed by the proposed alternate and the Original Director:
 - (i) confirming that the proposed alternate is willing to act as the alternate of the Original Director;
 - (ii) confirming that the appointment of the alternate shall immediately and automatically terminate at the end of the meeting in respect of which the alternate is being appointed (if relevant).
- 18.5 Except as these Articles specify otherwise, alternate directors:
- 18.5.1 are deemed for all purposes to be Directors;
 - 18.5.2 are liable for their own acts and omissions;
 - 18.5.3 are subject to the same restrictions as the Original Directors who appointed them; and
 - 18.5.4 are not deemed to be agents of or for the Original Directors who appointed them.
- 18.6 A person who is an alternate Director but not a Director may be counted as participating for the purposes of determining whether a quorum is participating (but only if the Original Director who appointed that person is not participating). No alternate may be counted as more than one Director for such purposes.
- 18.7 A Director who is also an alternate Director is entitled, in the absence of the Original Director who appointed him, to a separate vote on behalf of such Original Director, in addition to his own vote on any decision of the Directors (provided that such Original Director is an Eligible Director in relation to that decision).
- 18.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director.
- 18.9 An alternate Director's appointment as an alternate shall terminate immediately and automatically at the end of the meeting of the Board in respect of which he was appointed as alternate Director (if relevant) or, if earlier:
- 18.9.1 when the Original Director who appointed that alternate Director terminates the appointment by notice to the Company in writing;
 - 18.9.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the Original Director who appointed that alternate Director, would result in the termination of such Original Director's

appointment as a Director; or

18.9.3 immediately upon the termination of the appointment as a Director of the Original Director who appointed that alternate Director.

19 NUMBER OF DIRECTORS

Unless and until the Company shall otherwise determine by special resolution, the number of Directors shall be not less than two (2) and shall not be more than seven (7).

20 INVESTOR DIRECTOR AND CHAIRMAN

20.1 The Mainspring Investors shall from time to time have the right, for so long as the Mainspring Investors hold at least 10% by nominal value of the Shares in issue for the time being, to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director (an **Investor Director**) and to remove any such Investor Director and to appoint a replacement.

20.2 Any appointment or removal of an Investor Director made in accordance with Article 20.1 shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

20.3 An Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee).

20.4 The Mainspring Investors shall, at all times that they are entitled to appoint an Investor Director and when an Investor Director is not appointed or the Investor Director is unable to attend a meeting of the Board or of any committee of the Board, have the right to nominate one person to be an observer, who shall be entitled to receive notice of all meetings of Directors (and committees of the Directors) and copies of all board papers as if he were a Director and to attend, propose resolutions and speak at, but not vote at, any meeting of the Directors (and committees of the Directors).

20.5 The reasonable expenses properly incurred of the Investor Director and any such observer shall be payable by the Company.

20.6 The Directors shall appoint one of their number as chairman of the board of Directors (**Chairman**) and may remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

21 PROCEEDINGS OF DIRECTORS

21.1 The quorum for Directors' meetings shall be two (2) Directors who must include the Investor Director (if appointed) (save that where a Relevant Interest of an Investor

Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall be deemed to be quorate and shall proceed.

- 21.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 21.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman of the meeting shall be deemed to be the place of the meeting.
- 21.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 21.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 21.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In circumstances where there are an even number of Directors, the Chairman shall have a casting vote to the extent that any matter upon which the Board has voted is deadlocked as a result of equal votes having been cast for and against such proposed decision.
- 21.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this Article also.

22 DIRECTORS' INTERESTS

Specific interests of a Director

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

22.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

22.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

22.1.3 where a Director (or a person connected with him) is a Shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;

22.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

22.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;

22.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;

22.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

22.1.8 any other interest authorised by ordinary resolution.

Interests of the Investor Director

22.2 In addition to the provisions of Article 22.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, the Investor Director may (save as to the extent not permitted by law from time to

time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:

- 22.2.1 a Mainspring Investor;
- 22.2.2 a Fund Manager which advises or manages a Mainspring Investor;
- 22.2.3 any of the funds advised or managed by a Fund Manager who advises or manages a Mainspring Investor from time to time; or
- 22.2.4 another body corporate or firm in which a Fund Manager who advises or manages a Mainspring Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies (provided such portfolio company is not a competitor of the Company).

Interests of which a Director is not aware

- 22.3 For the purposes of this Article 22, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 22.4 In any situation permitted by this Article 22 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

- 22.5 Subject to Article 22.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:
 - 22.5.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or

- (iii) restricting the application of the provisions in Articles 22.6 and 22.7, so far as is permitted by law, in respect of such Interested Director;

22.5.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 22.

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

22.6 Subject to Article 22.7 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 22), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

22.6.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

22.6.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

22.7 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 22.6 shall apply only if the conflict arises out of a matter which falls within Article 22.1 or Article 22.2 or has been authorised under section 175(5)(a) of the Act.

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

22.8 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

22.8.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

22.8.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

- 22.9 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 22.1 or Article 22.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 22.9.1 falling under Article 22.1.7;
 - 22.9.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
 - 22.9.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

- 22.10 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 22.
- 22.11 For the purposes of this Article 22:
- 22.11.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
 - 22.11.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
 - 22.11.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

23 NOTICES

- 23.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:
- 23.1.1 in hard copy form;
 - 23.1.2 in electronic form; or
 - 23.1.3 (by the Company) by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 23.

Notices in hard copy form

23.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

23.2.1 to the Company or any other company at its registered office; or

23.2.2 to the address notified to or by the Company for that purpose; or

23.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

23.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

23.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

23.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 23.2.1 to 23.2.5 above, to the intended recipient's last address known to the Company.

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

23.3.1 if delivered, at the time of delivery;

23.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

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

23.4.1 if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

23.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 23.2; or

23.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:

- (i) on its website from time to time; or
- (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.

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

23.5.1 if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

23.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;

23.5.3 if delivered in an electronic form, at the time of delivery; and

23.5.4 if sent by any other electronic means as referred to in Article 23.4.3, at the time such delivery is deemed to occur under the Act.

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

Notice by means of a website

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

General

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

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

24 **DATA PROTECTION**

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data

which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

25 **SECRETARY**

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

26 **LIEN**

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

27 **FUTURE FUND PUT OPTION**

In the event that it is determined by the Future Fund (in its absolute discretion) that it would be prejudicial to the reputation of the Future Fund and/or the UK Government to continue holding any shares in the capital of the Company, the Future Fund shall have the option to require the Company to purchase all of the shares in the capital of the Company held by the Future Fund for an aggregate price of £1.00 at any time (the "**Put Option**"), provided that:

- 27.1.1 the Put Option shall be exercisable by irrevocable notice in writing from the Future Fund to the Company (the "**Put Option Notice**");
- 27.1.2 the terms of the completion of the Put Option have been authorised by a resolution of the Company;
- 27.1.3 completion of the Put Option shall take place as soon as reasonably practicable and in any event no later than 20 Business Days following the Company's receipt of the Put Option Notice; and
- 27.1.4 each of the Shareholders and the Company shall execute, and the Company shall procure so far as it lies within its power to do so the execution of, all such documents and deeds and do all such acts and things as may be reasonably required from time to time to implement the Put Option and transfer the legal and beneficial ownership of the relevant shares being sold to the Company under this Article 27, including waiving any pre-emption rights relating to such transfer.

28 FUTURE FUND

- 28.1 The rights which the Future Fund has pursuant to Articles 11.5, 28.1 and otherwise contained in these Articles cannot be amended varied or removed without the prior written consent of the Future Fund.
- 28.2 If within 6 months of the FF CLA Completion Date the Company proposes to complete an equity financing round in which shares are issued to investors that rank senior to the A Ordinary Shares issued to the FF CLA Lenders at FF CLA Completion the Company shall abide by para 8(d) of the FF CLA provided that, for the avoidance of doubt, the issue and allotment of Ordinary Shares shall be deemed not to be shares that rank senior to the A Ordinary Shares.

29 VALUATION OF LEAVER'S SHARES

- 29.1 If:
- 29.1.1 a Transfer Notice is deemed to have been given in accordance with Articles 10.3 or 13.2.5; and
- no Transfer Price can be agreed between the relevant person and the Board within ten Business Days of the date on which such transfer Notice shall be deemed to have been given then the Board shall either:
- 29.1.2 appoint an expert valuer in accordance with Article 29.2 (the "**Expert Valuer**") to certify the Fair Value of the Shares; or
- 29.1.3 (if the Fair Value has been certified by an Expert Valuer within the preceding twelve (12) weeks) specify that the Fair Value of the Shares will be calculated by dividing any Fair Value so certified by the number of Shares to which it related and multiplying such Fair Value by the number of Shares the subject of the Transfer Notice.
- 29.2 The Expert Valuer will be either:
- 29.2.1 the Auditors; or
- 29.2.2 an independent firm of Chartered Accountants to be appointed by the Board (acting reasonably).
- 29.3 The "**Fair Value**" of the Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 29.3.1 valuing the Shares as on an arm's-length sale between a willing seller and a willing buyer;
- 29.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 29.3.3 that the Shares are capable of being transferred without restriction;
- 29.3.4 valuing the Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the

percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Shares; and

- 29.3.5 reflecting any other factors which the Expert Valuer reasonably believes should be taken into account.
- 29.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 29.5 The Expert Valuer shall be requested to determine the Fair Value within twenty (20) Business Days of their appointment and to notify the Board of their determination.
- 29.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 29.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 29.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the relevant person.
- 29.9 The cost of obtaining the certificate shall be split equally between the selling shareholder and the Company (unless otherwise agreed by the Board).

30 **UNCERTIFICATED SECURITIES**

- 30.1 In this article, 'the relevant rules' means:
 - 30.1.1 any applicable provision of the Act about the holding, evidencing of title to, or transfer of securities other than in certificated form; and
 - 30.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision.
- 30.2 Subject to the relevant rules, any security or class of securities of the Company may be issued or held on such terms, or in a such a way, that title to it or them is not, or must not be:
 - 30.2.1 evidenced by, or
 - 30.2.2 transferred wholly or partly by means of a certificate.
- 30.3 Any provision of these Articles which is inconsistent with the relevant rules shall be disregarded.
- 30.4 Subject to the relevant rules and notwithstanding any provision of these Articles, the directors shall have power to take such steps as they think fit in relation to:
 - 30.4.1 the evidencing and transfer of title to uncertificated securities (including any records relating to the holding of such securities);

- 30.4.2 the conversion of certificated Shares into uncertificated securities; or
 - 30.4.3 the conversion of uncertificated Shares into certificated securities, with a view to enforcing any person's rights in relation to such securities, whether under the articles or otherwise.
- 30.5 Subject to the relevant rules, the Company may by notice to the holder of an uncertificated security require that security to be converted into certificated form to enable it to be dealt with in accordance with these Articles.
- 30.6 Subject to the relevant rules, if:
- 30.6.1 a security is uncertificated; and
 - 30.6.2 the Directors could, if that security was certificated, require its holder to execute an instrument of transfer, or appoint another person to do so, the Directors may either by notice to the holder of the security require the holder within a specified period to give any instructions necessary to transfer title to it, or appoint any person to take any step necessary to effect such a transfer.
- 30.7 Subject to the relevant rules, the Directors may take any other action which the Directors consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated security or otherwise to enforce a lien in respect of it.
- 30.8 Unless the Directors otherwise determine, securities which a Shareholder holds in uncertificated form shall be treated as separate holdings from any securities which that Shareholder holds in certificated form.
- 30.9 A class of securities shall not be treated as two classes simply because some securities of that class are held in certificated form and others are held in uncertificated form.