

Company number 09521199  
PRIVATE COMPANY LIMITED BY  
SHARES  
PRINT OF WRITTEN RESOLUTIONS  
of  
**ENVOPAP LIMITED**  
(the **Company**)

**PASSED ON 16 DECEMBER 2019**

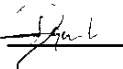
**IT WAS RESOLVED THAT:**

Under Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**), the directors of the Company (the **Directors**) the following resolutions (the **Resolutions**) are passed as special resolutions:

**NEW ARTICLES OF ASSOCIATION**

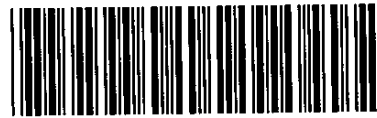
THAT the draft regulations attached to these written resolutions (the **New Articles**) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association and, for the avoidance of doubt, the passing of this Resolution shall also constitute approval by each signing shareholder of the Company of the adoption of the New Articles.

Signed

  
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**ENVOPAP LIMITED**

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20/12/2019

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COMPANIES HOUSE

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NEW**  
**ARTICLES OF ASSOCIATION**  
**of**  
**ENVOPAP LIMITED**  
**(the "Company")**

(Adopted by a special resolution passed on 16 December 2019)

**1. Introduction**

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 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 from time to time.
- 1.3 In these Articles article headings are used for convenience only and shall not affect the construction or interpretation of these Articles.

**2. Defined terms**

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

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

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

"**Auditors**" means the auditors of the Company from time to time, or, for such time as the Company is not required to appoint auditors, its accountants.

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

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

"**Business Day**" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday).

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

**"Controlling Interest"** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

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

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

**"Director(s)"** means a director or directors of the Company from time to time.

**"Employee"** means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;

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

**"Fair Value"** is as determined in accordance with Article 10.3.

**"Family Trusts"** means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or Privileged Relations of that individual.

**"Founder"** means Kaushal Shah

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

**"Group"** means a company, its affiliates and subsidiary undertaking(s) (if any) from time to time.

**"Holding Company"** means a newly formed holding company, pursuant to which the shareholders of, and the proportion and class(es) of shares held by each of them in, such holding company (immediately after a transfer of the issued share capital of the Company to such holding company) are the same as the shareholders of and their shareholdings in the Company immediately prior to the transfer of the issued share capital of the Company to such holding company.

**"Investment Agreement"** means the agreement made between the Company, the Founder and the Investors on or about the Date of Adoption.

**"Investor Majority"** means the consent of those Investors holding at least 51% per cent of the Ordinary Shares held by the Investors from time to time.

**"Investors"** has the meaning provided in the Investment Agreement and includes their Permitted Transferees.

**"a Member of the same Fund Group"** means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **"Investment Fund"**) or a nominee of that person:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed by that Fund Manager;
- (c) any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa.

**"a Member of the same Group"** means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking.

**"New Securities"** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than (a) options to subscribe for Ordinary Shares under any Share Option Plan or (b) shares or other securities which the Investor Majority have agreed should be issued without complying with Article 6).

**"Ordinary Shareholder"** means any holder of Ordinary Shares.

**"Ordinary Shares"** means the ordinary shares of £0.001 each in the capital of the Company, from time to time.

**"Permitted Transfer"** means a transfer of Shares in accordance with Article 8.

**"Permitted Transferee"** means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Company;
- (b) in relation to a Shareholder which is an undertaking means any Member of the same Group;
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group.

**"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"** means the consideration payable whether in cash or otherwise to those Shareholders selling Shares under a Share Sale.

**"Qualifying Company"** means a company in which a Shareholder or Trustee(s) hold the whole of the share capital and which they control.

**"Shareholder"** means any holder of any Shares.

**"Share Option Plan"** means the Company's share option plan.

**"Shares"** means shares in the 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 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 in the purchasing company 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.

**"Trustees"** means the trustee(s) of a Family Trust.

### **3. Proceedings of Directors**

- 3.1 The quorum for Directors' meetings shall be two Directors who must include the Founder (save that where an interest of the Founder is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Founder 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. Article 11(2) of the Model Articles shall not apply to the Company.
- 3.2 In the case of any equality of votes, the chairman shall not have a second or casting vote. Article 13 of the Model Articles shall not apply to the Company.

### **4. Directors' interests**

- 4.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his 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. Article 14 of the Model Articles shall not apply to the Company.

#### Specific interests of a Director

- 4.2 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
  - (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
  - (c) where a Director (or a person connected with him) is a Shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;
  - (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect

of the Company or body corporate in which the Company is in any way interested;

- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested; or
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this.

## **5. Dividends**

- 5.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 5.
- 5.2 Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Shares pro rata to their respective holdings of Shares.
- 5.3 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.
- 5.4 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.
- 5.5 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.
- 5.6 Article 31(1) of the Model Articles shall be amended by:
  - (a) the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
  - (b) the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

## **6. Allotment of new shares or other securities: pre-emption**

- 6.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.
- 6.2 Unless otherwise determined by special resolution, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each Ordinary Shareholder by:
  - (a) giving details of the number and subscription price of the New Securities;

- (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
- (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- (d) stating that, if there is competition among the Ordinary Shareholders for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Ordinary Shares (his "**Proportionate Allocation**");
- (e) inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("**Extra Securities**") and, if so, the number of Extra Securities.

6.3 On expiry of an offer made in accordance with Article 6.2 (or sooner if applications or refusals have been received from all Ordinary Shareholders and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:

- (a) if the total number of New Securities applied for is equal to or less than the New Securities offered, each Ordinary Shareholder shall be allocated the number applied for by him; or
- (b) if the total number of New Securities applied for is more than the New Securities offered, each Ordinary Shareholder shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and
- (c) applications for Extra Securities may, at the discretion of the Directors, be allocated or not;
- (d) fractional entitlements shall be rounded to the nearest whole number;

following which the Directors may, subject to these Articles and the Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit, but on no less favourable terms.

6.4 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 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.

6.5 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. Article 22(2) of the Model Articles shall not apply to the Company.

6.6 Any New Securities offered under this Article 6 to an Investor may be accepted in full or part only by a member of the same Group as that Investor in accordance with the terms of this Article 6.

## 7. **Transfers of Shares – general**

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

- 7.2 Reference to the transfer of a Share in these Articles 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.
- 7.3 If a Shareholder transfers or purports to transfer a Share 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.
- 7.4 The Directors may refuse to register a transfer of a Share if:
- (a) a Shareholder transfers a Share other than in accordance with these Articles;
  - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
  - (c) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company.

*Article 26(5) of the Model Articles shall be modified accordingly.*

- 7.5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.
- 7.6 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.

## **8. Permitted Transfers**

- 8.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 8.2 Shares previously transferred as permitted by Article 8.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 8.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.
- 8.4 A transfer of any Shares approved by the Board may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors.
- 8.5 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board.



## 9. Transfers of Shares subject to pre-emption rights

9.1 Save where the provisions of Articles 8 or 11 apply, a Shareholder who wishes to transfer Shares (a "**Seller**") shall give notice in writing (which cannot be withdrawn save with the consent of the Board) (a "**Transfer Notice**") to the Company (constituting the Company the agent of the Seller) specifying:

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which he wishes to transfer the Sale Shares (the price at which he is to transfer the Sale Shares being deemed to be Fair Value of the Sale Shares if no price is agreed between the Seller and the Board within five Business Days after the date when the Board received the Transfer Notice (the "**Transfer Price**")).

If a Shareholder is deemed to have given a Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board within five Business Days after the date when the Board received the Transfer Notice and failing such agreement such price will be deemed to be the Fair Value of such Shares.

9.2 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 10), the Company shall give notice in writing to each Ordinary Shareholder other than the Seller (each an "**Eligible Shareholder**"):

- (a) inviting him to apply for the Sale Shares at the Transfer Price;
- (b) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- (c) stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of Ordinary Shares (his "**Proportionate Allocation**");
- (d) inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation ("**Extra Shares**") and, if so, the number of Extra Shares.

9.3 On expiry of an offer made in accordance with Article 9.2 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:

- (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
- (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied;
- (c) applications for Extra Shares may, at the discretion of the Directors, be allocated or not but, if allocated, no applicant shall be allocated more Extra Shares than he has applied for; and

- (d) fractional entitlements shall be rounded to the nearest whole number.
- 9.4 The Company shall give written notice of allocation (an "**Allocation Notice**") to the Seller which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 9.5 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 9.6 If the Seller fails to comply with the provisions of Article 9.5:
  - (a) the chairman of the Directors or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
    - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
    - (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
  - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).
- 9.7 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 9.8, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included in the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 9.8 The right of the Seller to transfer Shares under Article 9.7 does not apply if the Board is of the opinion on reasonable grounds that:
  - (a) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
  - (b) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

## 10. Valuation of Shares

- 10.1 If no price is agreed between the Seller and the Board then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with Article 10.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares or if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.
- 10.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and appointed by the Company.

- 10.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Sale Shares are capable of being transferred without restriction;
  - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
  - (e) reflect any other factors which the Expert Valuer reasonably believe should be taken into account.
- 10.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 10.5 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed in which case the Seller shall bear the cost.

## **11. Compulsory transfers – general**

- 11.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 11.2 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 11.3 If a Permitted Transferee ceases to be a Permitted Transferee of the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 11.4 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by

the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

- 11.5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
  - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.
- 11.6 If either requirement in this Article 11.5 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine. If the Board acting by a majority (including the Founder) reasonably decide that a Shareholder has breached their obligations under the Investment Agreement, is in a position of conflict with the goals of the Company or has invested in and / or is involved with a competing business of the Company a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

## **12. Voting in general meetings**

- 12.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 12.2 The Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company, nor to receive, vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company.
- 12.3 On a show of hands each holder of Ordinary 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 Ordinary Share held by him.

## **13. Deferred Shares**

- 13.1 No Deferred Share shall have any entitlement to a dividend.
- 13.2 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).

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

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

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

13.4 On:

- (a) 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; or
- (b) a Share Sale, the Proceeds of Sale

shall be first applied (to the extent that the Company is lawfully permitted to do so) in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares).

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

#### 14. Tag-along

14.1 Except in the case of Permitted Transfers and transfers pursuant to Article 11, after going through the pre-emption procedure in Article 9, the provisions of Article 14.2 will apply if one or more Shareholders (the "**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 party (the "**Proposed Purchaser**") (and persons Acting in Concert with him) acquiring over 50% of the issued share capital the Company.

14.2 After the Proposed Sellers have gone through the pre-emption process set out in Article 9, the Proposed Sellers shall give to each Shareholder other than the Proposed Sellers not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the "**Buyer**");
- (b) the price per Share which the Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Ordinary Shares which the Proposed Sellers propose to sell; and
- (e) the address where the counter-notice should be sent.

- 14.3 Each Shareholder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Proposed Sellers that they wish to sell some or all of the Ordinary Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Ordinary Shares which such Investor wishes to sell.
- 14.4 Any Shareholder who does not send a counter-notice in accordance with Article 14.4 within the five Business Day period shall be deemed to have specified that they do not wish to sell any Shares.
- 14.5 Following the expiry of five Business Days from the date on which the Shareholders receive the Co-Sale Notice, the Proposed Sellers shall be entitled to sell to the Buyer on the terms specified in the Co-Sale Notice a number of Shares not exceeding the number specified in the Co-Sale Notice, provided that at the same time the Buyer (or another person) purchases from the Shareholders the number of Shares they have indicated they wish to sell on terms no less favourable than those obtained by the Proposed Sellers from the Buyer.
- 14.6 No sale by the Proposed Sellers shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 14.7 Sales made under a Co-Sale Notice in accordance with this Article 16 shall not be subject to Article 9.

## 15. Drag-along

- 15.1 If, subject to Article 11, the holders of more than 65% of the Ordinary Shares (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a proposed purchaser (the "**Proposed Purchaser**"), the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares (the "**Called Shares**") to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 15.
- 15.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this Article 15, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 15) and the proposed date of transfer and 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**").
- 15.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 15.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be on terms no less favourable than those obtained by the Selling Shareholders from the Proposed Purchaser.
- 15.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 15.

- 15.6 Within five Business Days of the Company serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or an indemnity for lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 15.4 to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt for the amounts due pursuant to Article 15.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 15.4 in trust for the Called Shareholders without any obligation to pay interest.
- 15.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 15.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 17 in respect of their Shares.
- 15.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or an indemnity) for its Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 15.4 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 provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 15.4.
- 15.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 9.
- 15.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 15.11 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.

## 16. Purchase of own Shares

Subject to the Act, the Company may purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.

## 17. Purpose

17.1 The purposes of the Company are to promote the success of the Company for the benefit of its members as a whole and, through its business and operations, to have a material positive impact on society and the environment, taken as a whole.

17.2 A Director shall have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the Company's employees
- (c) the need to foster the Company's business relationships with suppliers, customers and others
- (d) the impact of the Company's operations on the community and the environment,
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the Company, (together, the matters referred to above shall be defined for the purposes of this Article as the "**Stakeholder Interests**").

17.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.

17.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).

17.5 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the Company is also required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.