

ARTICLES OF ASSOCIATION: PRE-EMPTION (SHARE TRANSFER)

Definitions used in this document, to be included in Definitions/Interpretation section of Articles of Association:

Adoption Date means the date of the adoption of these Articles.

Board

Busine
general

Close F
step or

Compa

Compa
compan

Contro

(a)

(b)

and Co

Directo

Emplo
or throu
any Fou

Encum

(a)

(b)

Founde

[Group

Group Company means each company in the Group.]

Investor means [NAME] and [NAME].

Investor Director means the Director appointed to the Board from time to time by the Investors pursuant to Article [NUMBER].

ITEPA means the Income Tax (Earnings and Pensions) Act 2003.



aring banks are

(including a

es with

interests or

er through
to appoint a
person,

ner personally
[(but excluding

ention, security
priority of
t granted by a
ich has an
urity; and

of first offer,

mpany and

Related Party means:

- (a) in relation to an individual:
 - (i) a Close Relation of such individual; and
 - (ii) any person that, directly or indirectly, is Controlled by that individual and/or one or more of that individual's Close Relations; or

(b) [redacted] is or is

Share [redacted] any and any other sh

Shareh [redacted]

Shareh [redacted] the Company between and the Compar

Include as new

1 Transf

1.1 No Sha such tra any Sha Encumb [redacted] se to register al interest in eate any

(a) [redacted] proval (if an

(b) [redacted]

(c) [redacted] ough the pre-

1.2 Subject accorda [redacted] es made in

1.3 The Dir [redacted]

(a) [redacted] id mind;

(b) [redacted] director of any n in the United e Company or

(c) [redacted]

(d) it is not lodged at the registered office or at such other place as the Directors may specify;

(e) it is not accompanied by the certificate for the Shares to which it relates (or an indemnity for any lost share certificate in a form reasonably required by the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; or



(f) it is in favour of more than four transferees.

1.4 Any person who becomes a Shareholder by way of a transfer of Shares shall (as a condition to becoming a Shareholder) be required to execute a deed of adherence (in the form prescribed by the Shareholders Agreement or such other form as the Directors may reasonably require) agreeing to be bound by the Shareholders' Agreement.

2 Transfers to Permitted Transferees

2.1 Subject to the provisions of this Article, the Company shall not be bound to register any transfer of Shares made by a Shareholder to any person other than a person to whom the transfer is made in accordance with Article 2.1(a) or Article 2.1(b) or to a transferee of such a transfer.

(a) a person who is a permitted transferee of the Shares to which the transfer relates;

(b) a person who is a permitted transferee of the Shares to which the transfer relates and who is a member of the family of the Shareholder making the transfer or a member of the family of any person who is a permitted transferee of the Shares to which the transfer relates.

2.2 If a Permitted Transferee is a member of the family of the Shareholder making the transfer and the Original Shareholder is a member of the family of the Permitted Transferee, the Original Shareholder shall be deemed to have transferred the Shares to the Permitted Transferee.

2.3 [A Shareholder who is a member of the family of the Original Shareholder shall be deemed to have transferred the Shares to the Permitted Transferee until after the death of the Original Shareholder.]

2.4 [Neither the Original Shareholder nor the Permitted Transferee shall be bound by the provisions of this Article.]

3 Transfers to Non-Permitted Transferees

3.1 Subject to the provisions of this Article, the Company shall not be bound to register any transfer of Shares made by a Shareholder to any person other than a person to whom the transfer is made in accordance with Article 3.1(a) or Article 3.1(b) or to a transferee of such a transfer.

(a) a person who is a permitted transferee of the Shares to which the transfer relates;

(b) a person who is a permitted transferee of the Shares to which the transfer relates and who is a member of the family of the Shareholder making the transfer or a member of the family of any person who is a permitted transferee of the Shares to which the transfer relates.

(c) a person who is a permitted transferee of the Shares to which the transfer relates and who is a member of the family of the Shareholder making the transfer or a member of the family of any person who is a permitted transferee of the Shares to which the transfer relates.

(d) shall be dated and signed by the Transferor;

(e) shall not be revocable and shall not be varied, except in either case with the consent of the Board; and

(f) may provide that the Transferor may, by issuing a Total Transfer Condition Notice in accordance with Article 6.6, decline to sell any of the Transfer Shares to Non-Transferring Shareholders unless applications have been made in accordance with Articles 3.3 and 3.4 for all of the Transfer Shares (a **Total Transfer Condition**).

3.3 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Transfer Shares for sale to each Non-Transferring Shareholder (the **First Offer Shareholders**) at the Transfer Price by notice in writing to each First Offer Shareholder (the **First Offer Shareholders**) on or before the first Business Days from the date of the receipt of the Transfer Notice to the extent of the proportion of the Transfer Shares held by the Shareholder to all of the Non-Transferring Shareholders.

3.4 If at the time of the First Offer Shareholders, the number of Transfer Shares held by the Shareholder is less than the number of Transfer Shares held by the Company at the time of the First Offer (the **First Offer Price**) to each Shareholder pursuant to Article 3.3, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Shareholder. If the number of Transfer Shares held by the Shareholder is greater than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Company at the time of the First Offer.

3.5 If at the time of the First Offer Shareholders, the number of Transfer Shares held by the Shareholder is less than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Shareholder. If the number of Transfer Shares held by the Shareholder is greater than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Company at the time of the First Offer.

(b) If the number of Transfer Shares held by the Shareholder is less than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Shareholder. If the number of Transfer Shares held by the Shareholder is greater than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Company at the time of the First Offer.

(c) If the number of Transfer Shares held by the Shareholder is less than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Shareholder. If the number of Transfer Shares held by the Shareholder is greater than the number of Transfer Shares held by the Company at the time of the First Offer, the Board shall apply the First Offer Price to the Shareholder to the extent of the number of Transfer Shares held by the Company at the time of the First Offer.

3.6 If:
(a) a Total Transfer Condition was included in the Transfer Notice as referred to in Article 3.2(f); and

- (b) applications have been made in accordance with Articles 3.3 and 3.4 for less than the total number of Transfer Shares,

the Transferor may within [5] Business Days following the end of the First Offer Period or, if there was a Second Offer Period, the end of the Second Offer Period give notice in writing to the Company that it does not wish to sell any of the Transfer Shares to any Non-Transferring Shareholder (a **Total Transfer Condition Notice**) and Article 3.9 shall apply.

- 3.7 If:
- (a) [redacted] in accordance with
 - (b) [redacted] for all or any of
- the Directors shall, in accordance with Articles 3.4 and 3.5, give notice in writing to the Transferor and to whom the Transferor shall make applications of the Transfer Shares for the number of Transfer Shares for which the Transferor has completed the Total Transfer Condition Notice. The Company shall allocate the Transfer Shares in accordance with Article 3.9.
- 3.8 On the date of the Total Transfer Condition Notice:
- (a) the Transferor shall deliver to the Company the Transfer Shares and the documents of title to the Transfer Shares; and
 - (b) the Transferor shall execute and deliver to the Company the Transfer Deed.
- 3.9 If the Transferor fails to comply with Article 3.6, following the expiry of the Total Transfer Condition Notice, the Transferor shall be deemed to have accepted the terms of the Transfer Deed and the Transfer Shares shall be transferred to the Transferee in accordance with Article 3.9.
- 3.10 If either the Transferor or the Transferee has been notified in writing that the Transferor is obliged to transfer its Shares in accordance with Article 3.6, the Transferee shall be deemed to have accepted the terms of the Transfer Deed and the Transfer Shares shall be transferred to the Transferee in accordance with Article 3.9.
- 3.11 Any sale or transfer of Transfer Shares in accordance with Article 3.9 shall be subject to the terms on which the Transfer Shares are being transferred to the Transferee in accordance with this Article 3.11 and, if not so satisfied, the Directors shall refuse to register the transfer concerned.

4 Ancillary provisions relating to transfer

- 4.1 If:
- (a) any Permitted Transferee who is obliged to transfer its Shares in accordance with Article 2.2; or

(b) any Transferor who becomes bound to transfer Shares in accordance with Article 3;

fails to deliver any documents required for the transfer of the legal and beneficial title to the relevant Shares (the **Defaulter**), the Board may authorise any Director to transfer those Shares on behalf of the Defaulter to the relevant transferee(s) and shall then authorise registration of the transfer.

4.2 Pending registration of the transferee(s) of the relevant Shares as the holder of those Shares in the register of members, the Transferor shall remain the holder of those Shares and benefits in respect of those Shares and shall be appointed as proxy for the purpose of voting on those Shares as may be required.

4.3 The Shares may be transferred by any person to whom the Shares are registered as being transferred, and all transfers of Shares shall be valid and effective notwithstanding that the transferee is not registered as the holder of the Shares, and, notwithstanding that the transferee is not registered as the holder of the Shares, all transfers of Shares made in accordance with these Articles shall be valid and effective.

4.4 Any Shares transferred in accordance with these Articles shall be deemed to have been transferred to the transferee(s) and the transferee(s) shall be deemed to be the holder(s) of the Shares transferred and shall be entitled to exercise all such things in relation to the Shares transferred as if the transferee(s) were the holder(s) of the Shares transferred, and the Transferor shall be deemed to have given effect to the transfer.

4.5 Any transfer of Shares in accordance with these Articles shall be deemed to have been made in accordance with these Articles and shall be deemed to be a transfer of Shares in accordance with these Articles.

4.6 If any Shares are transferred in accordance with these Articles, the transferee(s) shall be deemed to be the holder(s) of the Shares transferred and shall be entitled to exercise all such things in relation to the Shares transferred as if the transferee(s) were the holder(s) of the Shares transferred, and the Transferor shall be deemed to have given effect to the transfer.

