

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**REGENO AGRICULTURAL FINANCE LIMITED (Company Number 16054618)**

(Adopted by a special resolution passed on 21 November 2024 | 12:05 GMT)



## 1. Model Articles

- 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 for the time being in force.

## 2. Definitions

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

"**A Ordinary Shares**" means the A ordinary shares of £0.0001 each in the capital of the Company from time to time and having the rights and being subject to the restrictions attributed to them in these Articles;

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

"**Asset Sale**" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"**Bad Leaver**" means a person who becomes a Leaver as a consequence of that person's dismissal for cause, where "cause" shall mean the lawful termination of that person's service agreement or contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct;

"**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 other than a Saturday, Sunday or public holiday England when banks in London are open for business;

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

"**Commencement Date**" means the date on which the employment or consultancy of the relevant Employee with the Company commences;

"**Company**" means Regeno Agricultural Finance Limited;

"**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;

"**Corporate Member**" means any Shareholder that is a "company" for the purpose of the independence requirement in sections 257DG(2) and 185(2) ITA;

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

**"Deferred Conversion Date"** means the date on which the Unvested Shares held by a Leaver (or a Permitted Transferee of a Leaver) are to be converted to Deferred Shares pursuant to Articles 4.1 or 4.4(a)(ii) (as applicable);

**"Deferred Shares"** means deferred shares of £0.0001 each in the capital of the Company from time to time and having the rights and being subject to the restrictions attributed to them in these Articles;

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

**"Effective Termination Date"** means the date on which the Leaver gives or is given notice to terminate their employment or consultancy;

**"EIS Provisions"** means the provisions of Part 5 of ITA 2007 and sections 150A, 150B and 150C and Schedule 5B of the Taxation of Chargeable Gains Act 1992 (in each case as inserted and/or amended from time to time);

**"EIS Reliefs"** means the reliefs in respect of income tax and capital gains tax available to certain subscribers of shares pursuant to the EIS Provisions;

**"Electronic form"** and **"electronic means"** have the same meaning as in section 1168 of the Act;

**"Eligible Director"** means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

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

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

**"Equity Shares"** means the Shares excluding the Deferred Shares (if any);

**"Family Trusts"** means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

**"Founder"** means Sven Christian Pöppelmann;

**"FFN"** means FFN JV Limited, a company registered in England with company number 13474886 and its registered office at FFN (Level 7) Arundel Street Building, 180 Strand, 2 Arundel Street, London, United Kingdom, WC2R 3DA;

**"FFN Consent"** means the prior written consent of FFN;

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

**"Group"** means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

**"Independence Requirement"** means the independence requirement as set out in Sections 257DG(2) and 185(2) ITA 2007;

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

**"Leaver"** means a person who ceases to be an Employee;

**"Leaver's Percentage"** means, in relation to and for the purposes of determining the number of Ordinary Shares that are required to be converted into Deferred Shares or transferred as a result of a person becoming a Leaver, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

where NM = the number of full calendar months from the Commencement Date to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 49<sup>th</sup> month after the Commencement Date and thereafter;

**"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;

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

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

**"Ordinary Shares"** means the ordinary shares of £0.0001 each in the capital of the Company from time to time and having the rights and being subject to the restrictions attributed to them in these Articles;

**"Permitted Transferee"** means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder that is a corporation:
  - (i) to any Member of the same Group;

- (ii) to any Member of the same Fund Group;
  - (iii) or to any nominee of that Shareholder; and
- (c) in relation to FFN:
  - (i) to Founders Factory Limited (company number 09564631); or
  - (ii) to Nesta (company number 7706036) or any person succeeding in whole or in part to the interests of Nesta.

**"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 (including any deferred 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;

**"Qualifying Company"** means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

**"Relevant Connected Person"** means any Member connected with that Corporate Member within the meaning given in section 993 ITA;

**"Relevant Interest"** means any interest that a Director has proposed that the Directors authorise pursuant to section 175(5)(a) of the Act;

**"Relevant Period"** means 48 months from the Commencement Date;

**"Restricted Member"** has the meaning given in Article 4.5;

**"SEIS"** means the seed enterprise investment scheme as dealt with in Part 5A of ITA 2007 and in sections 150E – 150BB of the Taxation of Chargeable Gains Act 1992;

**"SEIS Relief"** means relief given in accordance with SEIS;

**"Shareholder"** means any holder of any Shares (but excludes the Company holding Treasury Shares);

**"Shares"** means the Ordinary Shares, the A Ordinary Shares and Deferred Shares from time to time;

**"Share Option Plan"** means the share option plan of the Company from time to time;

**"Share Sale"** means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

**"Social Purpose"** means accelerating the transition to regenerative agriculture through financial services;

"**Subsidiary**", "**Subsidiary Undertaking**" and "**Parent Undertaking**" have the respective meanings set out in sections 1159 and 1162 of the Act;

"**Trustees**" in relation to a Shareholder means the trustee or the trustees of a Family Trust; and

"**Unvested Shares**" means where a person becomes a Leaver:

- (a) by reason of being a Bad Leaver, all of the Ordinary Shares held in the name of such Leaver (and any Permitted Transferee of such Leaver); or
- (b) by reason of being a Good Leaver, the Leaver's Percentage of the Ordinary Shares held in the name of such Leaver (and any Permitted Transferee of such Leaver),

provided always that where a person becomes a Leaver for any reason within the first 12 months of the Commencement Date then all Ordinary Shares held in the name of such Leaver (and any Permitted Transferee of such Leaver) shall be considered Unvested Shares.

- 2.2. 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 of or to such statutory provision for the time being in force;
- 2.3. It is expressly acknowledged that FFN does not intend, at any time, to control the Company within the meaning of s.995 ITA 2007 and the provisions of these Articles shall be construed accordingly such that:
  - (a) none of the provisions herein are intended to be arrangements that would cause the Company to fail to meet the Independence Requirement by virtue of FFN and/or any Permitted Transferee of FFN holding Shares; and
  - (b) FFN shall be required to exercise all its consent rights under these Articles in way in which does not cause the Company to fail to meet such Independence Requirement.

### **3. Transfers of Shares**

- 3.1. In Articles 3 and 3.5, 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.
- 3.2. No Share may be transferred unless the transfer is made in accordance with these Articles.
- 3.3. Subject to Article 3.4 and notwithstanding Articles 3.6 to 3.11, no Shares shall be transferred without FFN Consent.
- 3.4. Subject to Article 3.7, a Shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise save that the transfer of Ordinary Shares held by any Employee under this Article 3.4 shall require FFN Consent.
- 3.5. Shares previously transferred as permitted by Article 3.4 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 3.6. Subject to Article 3.4 and 3.7, any Shareholder (a "**Seller**") may at any time transfer all (but not some only) of its Shares to any person for cash and not on deferred terms provided that it complies with the provisions of Articles 3.8 to Article 3.11.
- 3.7. The right of the Shareholder to transfer Shares under Article 3.4 and 3.6 does not apply if:

- (a) the Shareholder has become a Leaver or becomes a Leaver and any Transfer Notice previously given by that Shareholder shall be deemed to have been revoked with immediate effect upon the Effective Termination Date; or
  - (b) the transfer of such Shares (or any part thereof) would cause the Company to cease to meet the Independence Requirement and thereby deny the availability of SEIS Relief and/or EIS Relief to any person or, where such SEIS Relief and/or EIS Relief has already been conferred, result in such relief being withdrawn.
- 3.8. The Seller must first give the other Shareholders (the **"Continuing Shareholders"**) an irrevocable notice in writing (**"Transfer Notice"**) setting out details of the proposed transfer of its Shares (the **"Transfer Shares"**), including the identity of the proposed buyer and the price per Transfer Share agreed with such buyer. The Transfer Notice shall constitute an offer by the Seller to sell the same proportion of its Transfer Shares to each Continuing Shareholder as the proportion of that Continuing Shareholder's Shares to the aggregate of all the Continuing Shareholders' Shares (that proportion of the Seller's Transfer Shares being the **"Continuing Shareholder's Pro Rata Shares"**), to the Continuing Shareholders on the same terms.
- 3.9. Each Continuing Shareholder shall have the option to buy its Continuing Shareholder's Pro Rata Shares by delivering a written notice to the Seller (an **"Exercise Notice"**) within 10 Business Days after receipt of the Transfer Notice (the **"Transfer Period"**) specifying whether it wishes to buy all of its Continuing Shareholder's Pro Rata Shares. Each Continuing Shareholder may also specify in its Exercise Notice the maximum number of additional Transfer Shares subject to the Transfer Notice, if any, that it agrees to buy in the event that not all Continuing Shareholders agree to buy their respective Continuing Shareholder's Pro Rata Shares (each an **"Additional Offer"**).
- 3.10. If any Continuing Shareholder fails, within such 10 Business Day Transfer Period, to deliver an Exercise Notice, each Continuing Shareholder that delivered an Exercise Notice and agreed in such Exercise Notice to make an Additional Offer (an **"Additional Offeror"**) shall be bound to buy, a number of additional Transfer Shares, not to exceed the maximum number specified in its Exercise Notice, provided that, if the total number of Transfer Shares not covered by an Exercise Notice from Continuing Shareholders entitled to buy such Transfer Shares as their Continuing Shareholder's Pro Rata Shares (**"Additional Shares"**) is not sufficient to satisfy the demands of all Additional Offerors, then each such Additional Offeror shall be bound to buy, such number of the Additional Shares, not to exceed the maximum number specified in its Additional Offer, that represents its Additional Pro Rata Portion of such Additional Shares. For the purposes of this Article 3, the **"Additional Pro Rata Portion"** shall be calculated by reference to the number of Shares in the Company held by an Additional Offeror immediately prior to the delivery of the Transfer Notice expressed as a percentage of the number of all Shares in the Company in issue held by all such Additional Offerors immediately prior to the delivery of the Transfer Notice.
- 3.11. If all the Transfer Shares are not bought by reference to the provisions of Articles 3.8 to 3.11, the Seller may transfer all (but not some only) of the remaining Transfer Shares at any time, within 10 Business Days of the exhaustion of such provisions, to the buyer identified in the Transfer Notice (subject to the provisions of Article 10 and Article 11 where applicable) at a price not less than the price per Transfer Share specified in the Transfer Notice.
- 3.12. Notwithstanding any other provision of these Articles, in the event that FFN (acting reasonably) determines that the Company has materially deviated from the Social Purpose, FFN shall have the rights to transfer any Shares held by it without restriction as to price or otherwise and without complying with any restrictions on transfer set out in these Articles or otherwise and such transfer shall be registered by the Directors.

#### 4. Leavers

##### Deferred Shares

- 4.1. Subject always to Article 4.3 and unless the Board (with FFN Consent) otherwise determines that this Article 4.1 shall not apply, if at any time during the Relevant Period a person becomes a Leaver all of the Unvested Shares held in the name of such Leaver (and any Permitted Transferee of such Leaver), shall, upon written notice given by FFN, convert into Deferred Shares on the basis of one Deferred Share for each Unvested Share so converting on the date of such notice (rounded down to the nearest whole share).
- 4.2. Upon conversion into Deferred Shares under Article 4.1 or 4.4(a), the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Leaver (and the Permitted Transferee(s) of such Leaver) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to the Leaver (or any Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares (if any).

##### Alternative leaver mechanism

- 4.3. Article 4.1 shall not apply where the conversion of any Ordinary Shares to Deferred Shares would, notwithstanding the provisions of Article 9.8, cause the Company to fail to meet the Independence Requirement and thereby deny the availability of SEIS Relief and/or EIS Relief to any person subscribing for shares in the Company at any time or, where such SEIS Relief and/or EIS Relief has already been conferred, result in such relief being withdrawn, in which case Article 4.4 shall apply.
- 4.4. If article 4.3 applies or, if the Board (with FFN Consent) determines in the alternative to Article 4.1, if at any time a person becomes a Leaver the Board shall be entitled to determine (with FFN Consent) by notice in writing at any time following the Effective Termination Date (a "**Leaver Notice**") that, either:
  - (a) the Share Option Plan shall be deemed, with effect from the Effective Termination Date, to be expanded by a number of unissued Ordinary Shares equal to the total number of Unvested Shares held in the name of such Leaver and any Permitted Transferee of such Leaver), and:
    - (i) the Board shall grant options to one or more Employees (other than the Leaver) in aggregate over such number of unissued Ordinary Shares equal to all of the Unvested Shares held in the name of such Leaver and any Permitted Transferee of such Leaver), it being a condition of such grant that each of the persons to whom such options are granted (the "**Optionholders**") must exercise such options in full (and not part only) immediately following the date of grant (it being acknowledged that the Ordinary Shares to be issued upon such exercise shall be subject to the vesting and leaver provisions set out in this Article 4); and
    - (ii) all of the Unvested Shares held in the name of such Leaver (and any Permitted Transferee of such Leaver) shall be converted into Deferred Shares on the basis of one Deferred Share for each Unvested Share so converting on the date of such notice (rounded down to the nearest whole share) on the date which is the later of:



- (A) the date of issue of all such Ordinary Shares to exercising Optionholders and their registration in the register of members of the Company as the holders thereof; and
  - (B) the earliest date on which such conversion of Unvested Shares to Deferred Shares can occur without resulting in the Company failing to meet the Independence Requirement; or
- (b) a Transfer Notice shall be deemed to be given in respect all Unvested Shares held in the name of such Leaver and any Permitted Transferee of such Leaver) on the date of such Leaver Notice, for nil consideration, provided always that all such Ordinary Shares are offered in the following order of priority:
  - (i) first, to an employee benefit trust established for such purpose with the approval of the Board and with FFN Consent provided always that the trustees of such employee benefit trust are independent from and not connected to FFN;
  - (ii) second, any Employee(s) approved by the Board (with FFN Consent) other than the Leaver; or
  - (iii) to all Shareholders other than:
    - (A) the Leaver and/or its Permitted Transferees; and
    - (B) FFN and/or its Relevant Connected Persons;

provided always that no transfer of Shares shall be permitted to any person under this 4.4(b)(iii) if such transfer would cause the Company to fail to meet the Independence Requirement or otherwise deny the availability of SEIS Relief and/or EIS Relief to any person subscribing for shares in the Company at any time or, where such SEIS Relief and/or EIS Relief has already been conferred, result in such relief being withdrawn;

#### Suspension of voting rights

- 4.5. Subject always to Article 4.6 and unless the Board (with FFN Consent) notify them otherwise, all voting rights attached to Ordinary Shares held by a Leaver and by any Permitted Transferee of that Leaver (the "**Restricted Member**"), if any, shall be suspended with effect from the later of:
- (a) the Effective Termination Date; or
  - (b) the earliest date on which such suspension of voting rights can occur without resulting in the Company failing to meet the Independence Requirement.
- 4.6. Any Ordinary Shares whose voting rights are suspended pursuant to Article 4.5 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 4.5 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

## 5. Appointment of Directors

- 5.1. The Founder shall for such time as he or she continues to be an Employee and is not a Leaver shall have the right to appoint and maintain themselves in office as a Director and to the board of directors of any Subsidiary Undertaking (a "**Founder Director**") in accordance with article 17(1) of the Model Articles.
- 5.2. FFN shall, for such time as it or its Permitted Transferees hold Shares, be entitled to nominate one person to act as a Director (the "**FFN Director**") by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. FFN shall be entitled to remove such FFN Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 5.3. An appointment or removal of a FFN Director under Article 5.2 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 5.4. The FFN Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.
- 5.5. FFN shall be entitled to appoint one person to act as an observer to the Board, to the board of directors of any Subsidiary Undertaking and any committee of the Board or board of directors of any Subsidiary Undertaking established from time to time. The observer shall be entitled to attend and speak at all such meetings and receive copies of all board papers as if he were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting. FFN shall not be entitled to appoint such observer if it has appointed a FFN Director.
- 5.6. Where the Founder (also being a Director) becomes a Leaver which would result in the FFN Director (if appointed) being the only Director then appointed in office, the following shall apply:
  - (a) the Shareholders shall take all steps to procure the appointment of an additional person who is independent of FFN and any Relevant Connected Person of FFN to act as an additional director of the Company (the "**Additional Director**"), without delay (and whether in a non-executive or executive capacity) who shall be appointed to each committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking and if such person has not been appointed within 5 Business Days of the date on which the FFN Director has become the sole director in office, FFN shall be entitled by notice in writing to the Company's registered office to appoint such Additional Director; and
  - (b) unless and until the Additional Director is appointed in accordance with paragraph (a) above, the FFN Director shall have no authority to make any decisions as regards the affairs of the Company or its business or operations save only for the appointment of the Additional Director pursuant to paragraph (a) above.

## 6. Proceedings of Directors

- 6.1. The quorum for Directors' meetings shall be one Director if the board consists of a sole director.
- 6.2. The quorum for Directors' meetings shall be two Directors if the Board comprises more than one Director who must include the FFN Director (if appointed) (save that where a Relevant Interest of a FFN Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such 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 and the Founders Factory Director (if appointed). If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

- 6.3. The Chairman of the Board shall be a Director (other than the Founders Factory Director) appointed to such position by a majority vote of the Board. Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman of the Board shall have a second or casting vote.
- 6.4. 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.

## 7. **Directors' interests**

Subject to the provisions of the Act, where a Director is a FFN Director, he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in FFN or any shareholder of FFN.

## 8. **Information Rights**

- 8.1. The Company shall provide FFN promptly with such information concerning the Company and its business that FFN may reasonably require from time to time.

## 9. **Rights attaching to Shares**

- 9.1. Except as otherwise provided in these Articles, the A Ordinary Shares and the Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 9.2. Any profits available for distribution which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Equity Shares (*pari passu* as if they constituted one class of share) *pro rata* to their respective holdings of Equity Shares.
- 9.3. On a distribution of assets on a liquidation, winding up or a return of capital (other than a conversion, redemption or purchase (by the Company) of Shares) the surplus assets of the Company remaining after payment of its liabilities (the "**Surplus Assets**") shall, after 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)(the "**Deferred Return**") be distributed among the holders of Equity Shares on a *pro rata* basis (as if the Equity Shares constituted one and the same class) to the number of Equity Shares held (a "**Pro Rata Allocation**"), provided that where the Pro Rata Allocation would result in any holder of A Ordinary Shares receiving less than the Issue Price per A Ordinary Share held, then the balance of the Surplus Assets remaining following payment of the Deferred Return shall be distributed (to the extent that the Company is lawfully permitted to do so) as follows:

- (a) firstly:

- (i) 99.99% in paying to the holders of the A Ordinary Shares (pro rata to the Issue Price of each such Share); and
- (ii) 0.01% to the holders of the Ordinary Shares on a pro rata basis to the number of Ordinary Shares held,

until the holders of A Ordinary Shares have received an amount equal to the Issue Price per A Ordinary Share held; and

(b) the balance of the Surplus Assets (if any) shall be distributed:

- (i) 99.99% to the holders of Ordinary Shares on a pro rata basis to the number of Ordinary Shares held; and
- (ii) 0.01% to the holders of A Ordinary Shares on a pro rata basis to the number of A Ordinary Shares held.

9.4. In the event that the Surplus Assets are distributed on more than one occasion, the Surplus Assets so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 9.3.

9.5. On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 9.3 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.

9.6. On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 9.3.

9.7. In relation to voting at general meetings of the Company:

- (a) on a show of hands, every holder of A Ordinary Shares and/or Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall, subject to Article 9.8, have one vote;
- (b) on a poll, every holder of A Ordinary Shares and/or Ordinary Shares who is present in person or by a proxy or (being a corporation) by a representative shall, subject to Article 9.8, have one vote for every Ordinary Share of which he or she is the holder; and
- (c) the Deferred Shares shall carry no voting rights on either a show of hands or a poll.

9.8. At any time the aggregate number of votes attaching to all the Shares held by any Corporate Member and all of its Relevant Connected Persons shall be restricted to the lower of:

- (a) 49.99% of the votes attaching to all Shares; or
- (b) the total number of votes that would have been conferred on such Members if this Article 9.8 did not apply.

## 10. Drag-along

10.1. If, after having given a Transfer Notice to the Continuing Shareholders and having complied with the provisions of Article 3.6 to 3.11, the holders of 75% of the Equity Shares in issue for the time being (for the purposes of Article 10 and Article 11, the "**Sellers**") wish to transfer all (but not some only) of their Shares to a bona fide third party ("**Third Party**"), subject to obtaining FFN Consent where such transfer is for non-cash consideration, the Sellers shall be entitled to give written notice to the Continuing Shareholders ("**Drag Along Notice**") requiring

the Continuing Shareholders to sell to the Third Party all of the Continuing Shareholders' Shares upon the terms and conditions specified in the Drag Along Notice.

- 10.2. The terms on which the Sellers require the Continuing Shareholders to sell their Shares must be no less favourable than the terms on which the Sellers are selling their Shares to the Third Party provided that the consideration (in cash or otherwise) for which each Seller and each Continuing Shareholder shall transfer Shares pursuant to a Drag Along Notice shall be the consideration per Share, determined in accordance with Article 9.5 in reference to the total consideration payable in respect of all Shares to be transferred.
- 10.3. The Drag Along Notice must specify:
  - (a) the details of the Third Party;
  - (b) the price payable for each Share and other consideration (if any) to be received (directly or indirectly) by the Sellers; and
  - (c) any other material terms upon which the Continuing Shareholders' Shares shall be purchased pursuant to the Drag Along Notice.
- 10.4. If each Continuing Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the Shares held by them and deliver the certificate in respect of the same (or a suitable indemnity in lieu thereof), then the Sellers shall be entitled to execute, and shall be entitled to authorise and instruct such person as they think fit to execute, the necessary transfer and indemnities on each relevant Continuing Shareholder's behalf and, against receipt by the Company (on trust for each such Continuing Shareholder) of the consideration payable for the relevant Shares, deliver such transfers and certificates or indemnities to the Third Party (or their nominee) and register such Third Party (or their nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.
- 10.5. The Continuing Shareholders are not obliged to sell their Shares in accordance with this Article 10 if the Sellers do not complete the sale of all their Shares to the Third Party on the same terms and conditions set out in the Drag Along Notice.

## 11. Tag Along

- 11.1. If, after having given a Transfer Notice to the Continuing Shareholders and having complied with the provisions of Article 3.6 to 3.11 the Sellers wish to transfer all (but not some only) of their Shares to a bona fide third party ("**Proposed Buyer**") in one or a series of related transactions, and such transfer would when registered result in that person (together with persons connected or acting in concert with them) acquiring a Controlling Interest in the Company ("**Proposed Sale**"), (the Sellers shall give written notice "**Tag Along Notice**") to the Continuing Shareholders of the Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof.
- 11.2. The Tag Along Notice must specify:
  - (a) the details of the Proposed Buyer;
  - (b) the sale price for each Share and other consideration (if any) to be received (directly or indirectly) by the Sellers; and
  - (c) any other material terms upon which the Shares are to be purchased.
- 11.3. The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy all the other issued Shares (other than any Shares already owned by the Proposed Buyer or persons connected or acting in concert with them) on the same terms and

conditions as apply to the Proposed Sale. Such offer shall remain open for acceptance for not less than 15 Business Days.

- 11.4. The provisions of this Article 11 shall not apply to any Proposed Sale which is permitted under Article 3.4 and Article 3.5 or which is to take place pursuant to a Drag Along Notice under Article 10.