

Company Number: 08573236

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

THE BOATYARD DISTILLERY LTD

(Adopted by a Written Resolution dated 21 April 2022)

1. PRELIMINARY

1.1 The model articles of association for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) (the "Model Articles") shall apply to the Company save in so far as they are excluded or modified hereby and such Model Articles and the articles set out below shall be the articles of association of the Company (the "Articles").

1.2 Model Articles 11(2) and 11(3), 19(5), 21, 26(5) and 52 do not apply to the Company.

1.3 The headings used in these Articles are included for the sake of convenience only and shall be ignored in construing the language or meaning of these Articles.

1.4 In these Articles, unless the context otherwise requires, references to nouns in the plural form shall be deemed to include the singular and vice versa.

1.5 In these Articles:

"Act" means the Companies Act 2006;

"acting in concert" has the meaning set out in the City Code on Takeovers and Mergers for the time being;

"Adoption Date" means 21 April 2022 being the date on which these Articles were adopted by the Company;

"AI" means Andrew Irwin and/or his Permitted Transferees;

"Articles" means these articles of association of the Company as amended from time to time;

"Auditors" means the auditors to the Company for the time being

"Associate" in relation to any person means:

(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with article 3 of the Insolvency (Northern Ireland) Order 1989 and (whether or not an associate as so determined); or

(b) any Member of the Same Group;

"Bad Leaver" has the meaning given in Article 6.1;

"Base Percentage" has the meaning given to it in Article 22.1;

“BBB Group”	means British Business Bank plc and its Affiliates (which, for the avoidance of doubt, includes British Business Investments Ltd);
“BBI Fund”	means KCP Nominees (Clarendon) Limited a company incorporated and registered in England and Wales with company number 12979931 whose registered office is at Hyde Park House, 5 Manfred Road, London, United Kingdom, SW15 2RS;
“BBI Fund Manager”	means the manager of the BBI Fund as is notified to the Company from time to time;
“Board”	means the Board of Directors of the Company from time to time;
“Business Day”	means a day, except a Saturday or Sunday or a public holiday in the United Kingdom, on which clearing banks in the City of Belfast are generally open for business;
“Change of Control”	means any event or circumstance whereby, in relation to any person: (a) the beneficial ownership of more than 50% of the issued share capital of the person in question or its holding company or parent undertaking becomes exercisable by any person (or persons acting in concert) other than those persons having control of the Company as at the date of this Facility Letter; or (b) there is a change in “control” (as defined in Section 1124 of the Corporation Tax Act 2010) of the person in question from those persons having control of the borrower as at the date of this Facility Letter;
“CFM”	means Clarendon Fund Managers Limited a company incorporated and registered in England and Wales with company number 03525474;
“Civil Partner”	means, in relation to a Shareholder, a civil partner as defined in the Civil Partnership Act 2004;
“Clear Days”	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“Co-Founder”	has the meaning set out in the Relevant Agreement;
“Co-Fund Manager”	means the manager of the co-investment fund appointed by Invest NI as is notified to the Company from time to time;
“Company”	The Boatyard Distillery Ltd, a company incorporated and registered in England with company number 08573236 whose registered office is at 131 Nelson Road, Twickenham, TW2 7BB;
“Controlling Interest”	means an interest in shares giving the holder control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
“Conversion Date”	means the date and time on which GLF Ordinary Shares are to be converted into Conversion Shares in accordance with Article 22.3;
“Conversion Shares”	means Ordinary Shares, save in circumstances where:

- (a) the nominal value of the GLF Ordinary Shares is different to the nominal value of the Ordinary Shares, in which case the Conversion Shares shall be ordinary shares having the same nominal value as the GLF Ordinary Shares and ranking pari passu in all respects with the issued Ordinary Shares; or
- (b) other than the GLF Ordinary Shares, there is more than one class of share, in which case the Conversion Shares shall be ordinary shares having the same nominal value as the GLF Ordinary Shares and ranking pari passu in all respects with the most favourable class of shares (as determined by the Lender) in issue at the date of conversion;

“Director”	means each director of the Company from time to time;
“Exit”	has the meaning given to it in the Relevant Agreement;
“Facility Letter(s)”	each and every facility letter between the Growth Loan Fund (acting by the Fund Manager) and the Company, as may be supplemented, varied or amended from time to time;
“Fair Value”	means the value of any shares which are valued on the basis of a sale as between a willing seller and a willing buyer contracting at arm’s length having regard to the fair value of the business of the Company as a going concern but without taking into account that the shares constitute a minority or a majority interest or of any special rights or liabilities attaching to them by virtue of these Articles or any Relevant Agreement and, in the event of disagreement between the Shareholders, the fair value shall be determined by the auditors of the Company from time to time whose decision shall be final and binding;
“Family Trust”	means in relation to a Shareholder, a trust set up wholly for the benefit of that Shareholder and/or that Shareholder's Privileged Relations;
“Financial Year”	means an accounting period in respect of which the Company prepares its accounts in accordance with the applicable provisions of the Act;
“Founder”	has the meaning set out in the Relevant Agreement;
“Fund Manager”	means WhiteRock Capital Partners LLP in its capacity as fund manager from time to time of the Growth Loan Fund or any successor or replacement fund manager of the Growth Loan Fund notified in writing to the Company;
“GLF Ordinary Shares”	the GLF Ordinary Shares of £0.01 each of the Company having the rights set out in Article 22;
“GN”	means Gareth Neill and/or his Permitted Transferees;
“Good Leaver”	means the Founder who ceases to be an employee or a consultant of the Company but is not a Bad Leaver;
“Group”	means the Company and its subsidiary undertakings (as defined in section 1162 of the Act) from time to time and references to “Group Company” shall be construed accordingly;

"Growth Loan Fund"	means the NI Growth Loan Fund LP, defined as the 'Lender' in the Facility Letter(s) (including any successor, assignee, additional or replacement lender in accordance with the Facility Letter(s));
"Growth Loan Fund Group"	<p>means, in relation to the Growth Loan Fund:</p> <ul style="list-style-type: none"> (a) any nominee, custodian or trustee of the Growth Loan Fund's assets; (b) the Growth Loan Fund or any subsidiary undertaking or parent undertaking of the Growth Loan Fund or subsidiary undertaking of a parent undertaking of the Growth Loan Fund (each a "Relevant Person"); (c) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser; (d) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser; (e) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person; (f) any person which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person; (g) any fund managed by the Fund Manager; or (h) the Fund Manager or any of its subsidiaries;
"the holder"	in relation to Shares means the member whose name is entered in the register of members as the holder of the Shares;
"Invest NI"	means Invest Northern Ireland, a statutory corporation of Bedford Square, Bedford Street, Belfast, BT2 7ES, and/or its Permitted Transferees;
"Issue Price"	means in respect of a share in the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium;
"Listing"	has the meaning given to it in the Relevant Agreement;
"Managers"	has the meaning set out in any Facility Letter;
"Member of the Same Group"	means as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company;
"Net Profits"	the net profit of the Company on ordinary activities calculated on the historical cost accounting basis and in accordance with the accounting practices, policies and bases of the Company, consistently applied, which are generally accepted in the United Kingdom and as shown in the audited profit and loss account of the Company (or in the event of there being subsidiary

undertakings of the Company the audited consolidated profit and loss account of the Company and its subsidiary undertakings) for the relevant Financial Year:

- (a) before interest;
- (b) before depreciation;
- (c) before amortisation of goodwill or provision for the transfer of any sum to reserve;
- (d) before deducting corporation tax (and any other tax levied upon or measured by reference to profits or gains) on such profits (including deferred tax);
- (e) before charging directors and/or Managers' emoluments in excess of £54,000 (£65,000 from the third anniversary of the Facility Letter) which sum may be adjusted as shall be agreed between the Company and the Growth Loan Fund on 31 January of each year hereafter, but in any event adjusted in accordance with the Retail Prices Index or any substitute or replacement for it. Emoluments includes all salaries, directors' loan repayments in lieu of salary, cars, fees, bonuses, taxable allowances or expenses, pension contributions and benefits in kind;
- (f) before exceptional and extraordinary items; and
- (g) before provision for, or deducting the amount of, any dividends payable on any Shares or any other distribution;

“Observer” an individual nominated by the Growth Loan Fund in accordance with Article 27 who is permitted to attend meetings of the directors, amongst other things;

“Ordinary Shares” means the ordinary shares of £0.01 each in the capital of the Company having the rights set out in these Articles;

“Permitted Transfer” means a transfer of Shares made in accordance with Article 5.2;

“Permitted Transferee” means:

- (i) in respect of a Shareholder who is an individual, Privileged Relations, Family Trusts or the trustees of those Family Trusts;
- (ii) in respect of a corporate Shareholder, an Associate of such Shareholder;
- (iii) in respect of Invest NI, another statutory or government body or to any fund manager nominated by Invest NI whose business is to manage investments for and on behalf of Invest NI; and
- (iv) in relation to the BBI Fund, to any member of the BBB Group or any other entity controlled or majority owned (directly or indirectly) by the Department for Business, Energy and Industrial Strategy or any other UK government agency, or any entity managed, advised,

controlled or majority owned (directly or indirectly) by such member of BBB Group or other entity;

“Preferred Dividend”	means the dividend referred to in Article 22.1;
“Preferred Dividend Ratchet”	has the meaning given to it in Article 22.1;
“Privileged Relation”	means the spouse, Civil Partner, widow or widower of an individual Shareholder and such Shareholder’s children and grandchildren (including step and adopted children) and step and adopted children of the Shareholder’s children;
“Relevant Agreement”	means any agreement entered into by the Shareholders (which for the purposes of this definition shall include a person whose Shares are held by a bare nominee of custodian) and the Company from time to time in respect of their dealings with each other;
“Relevant 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 the Adoption Date;
“Sale”	any transaction (including, without limitation, any sale, transfer, lease or other disposal and any series of transactions whether taking place at the same time or not) pursuant to which: <ul style="list-style-type: none"> (a) all or substantially all of the business or assets of the Company or of any Group Company are sold to any person; or (b) there is a Change of Control of the Company;
“Shareholders”	means the holder of Shares from time to time;
“Shares”	means all of the issued shares of all classes in the Company (including, without limitation the Ordinary Shares and the GLF Ordinary Shares) (each being a “Share”);
“Share Option Scheme”	means the share option scheme in respect of the Company as approved by a Specified Majority from time to time; and
“Specified Majority”	means the holder(s) of at least 78% of the nominal value of the Ordinary Shares in issue.

2. SHARE RIGHTS AS TO DIVIDEND AND DISTRIBUTIONS

2.1 Dividends

No dividend shall be payable on any Share otherwise than with the prior consent of a Specified Majority.

2.2 Distribution on Liquidation

Subject to Articles 22.2 and 23 (in each case only for such times as GLF Ordinary Shares are in issue), on a liquidation, dissolution, winding up, merger, acquisition, sale, exclusive licence or other disposal of substantially all of the assets or a majority of the Shares of the Company (each a “Liquidation Event”) all assets, capital or surplus funds of the Company available for distribution to members remaining after payment of all debts and liabilities of the Company and the professional costs, charges and expenses incurred in relation to the relevant

Liquidation Event but before payment of any other liability (the "Distributable Assets") shall be applied amongst the Ordinary Shareholders pro rata to their respective holdings of Ordinary Shares.

3. SHARE RIGHTS AS TO VOTING

3.1 Subject to any other provisions in these Articles or in the Relevant Agreement concerning voting rights the Ordinary Shares shall confer on each holder the right to receive notice of and to attend, speak and vote at all general meetings of the Company, and each Ordinary Share shall carry one vote per share.

3.2 Where Shares confer a right to vote, votes may be exercised:

3.2.1 on a show of hands by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote); or

3.2.2 on a poll by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote for each such share held).

4. ALLOTMENT OF SHARES

4.1 Unless otherwise agreed by a Specified Majority or in accordance with the Relevant Agreement, if the Company proposes to allot any Relevant Securities (other than those to be allotted pursuant to the Share Option Scheme), those Relevant Securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the same terms, and at the same price, as those Relevant Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by the Shareholders. The offer:

4.1.1 shall be in writing and give details of the number and subscription price of the Relevant Securities; and

4.1.2 may stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which each is entitled shall, in its acceptance, state the number of excess Relevant Securities (the "**Excess Securities**") for which they wish to subscribe.

4.2 Any Relevant Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 4.1 shall be used for satisfying any requests for Excess Securities made pursuant to Article 4.1. If there are insufficient Relevant Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Shareholders in accordance with Article 4.1 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Relevant Securities remaining shall be offered, subject to Article 4.3, to any other person as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders.

4.3 The Shareholders shall be entitled, subject to Article 5.2.2, to assign their rights under Article 4.1 to a Permitted Transferee.

4.4 Subject to the provisions of the Relevant Agreement, Article 4.1 and Article 4.2 and to sections 549 to 551 (inclusive) of the Act, any Relevant Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at

those times and generally on the terms and conditions they think proper acting by majority consent.

5. TRANSFER OF SHARES

5.1 Pre-emption

5.1.1 Save as otherwise provided in these Articles or the Relevant Agreement every member who desires to transfer Shares (hereinafter called the "Seller") shall give to the Company notice in writing of such desire (hereinafter called a "Transfer Notice"). Subject as hereinafter mentioned a Transfer Notice (whether deemed or not) shall constitute the Company the Seller's agent for the sale of the Shares specified therein (hereinafter called the "Sale Shares") in one or more lots at the discretion of the Directors to all of the holders of Shares other than the Seller at the Sale Price in accordance with the provisions of Article 5.1.2.

5.1.2 Subject to the provisions of the Relevant Agreement and except where the provisions of Articles 6.2, 7, 8 and 9 apply, if any Shareholder (the "Offeror") wishes to transfer any or all of their Shares to a third party the Offeror must first serve a Transfer Notice to the Shareholders (the "Initial Offerees") offering to sell such Shares (the "Initial Offer") to the Initial Offerees at the same price as the Offeror proposes to sell its Shares to the third party (the "Sale Price").

5.1.3 The Initial Offerees shall have 30 days from the determination of the Sale Price in which to accept the Initial Offer (the "Initial Acceptance Period") by notice in writing to the Offeror stating whether they are willing to purchase any, and if so what maximum number of the Shares for sale. Should more than one of the Initial Offerees express their intention to purchase the shares the sale will be completed pro rata to their current shareholding in the Company.

5.1.4 If at the end of the Initial Acceptance Period, any Shares remain unsold (the "Remaining Shares") the Offeror may within a period of 4 months thereafter sell all of the Remaining Shares to any person acceptable to the Board (acting by a majority) at not less than the Sale Price.

5.1.5 The Shareholders shall be entitled, subject to Article 5.2.2, to assign their rights under Article 5.1 to a Permitted Transferee.

5.2 Permitted Transfers

5.2.1 Notwithstanding any other provision of these Articles (but subject to any relevant provisions in the Relevant Agreement) a Shareholder (for the purposes of this Article 5 the "Original Shareholder") may transfer all of their Shares to a Permitted Transferee (a "Permitted Transfer").

5.2.2 If a Permitted Transfer has been made to a Permitted Transferee, the Permitted Transferee shall, within 15 Business Days of ceasing to be a Permitted Transferee of the Original Shareholder, transfer the Shares held by it to:

- (a) the Original Shareholder; or
- (b) a Permitted Transferee of the Original Shareholder,

(which in either case, in the case of a corporate entity, is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 5.2, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 5.2.

6. LEAVER PROVISIONS

6.1 If the Founder ceases to be an employee or consultant with the Company during the period of four years following 22 December 2017 (the "Relevant Period") for any of the following reasons (unless determined to be unlawful or unfair by a court of competent jurisdiction without a right of appeal):

6.1.1 gross negligence;

6.1.2 gross misconduct affecting the Business;

6.1.3 material breach of service contract or contract of employment or any other contract with the Company ("Founder Contract") (including material breach of obligations to the Company concerning confidentiality or intellectual property or non-compliance with non-compete obligations applicable during the term of any service contract), which if capable of remedy has not been remedied by the Founder within 15 days of him having been notified of same by the Company except where such breach is due to ill-health or injury;

6.1.4 fraud or acts of dishonesty;

6.1.5 being convicted of a criminal offence punishable by a custodial sentence;

6.1.6 refusal or failure to substantially perform his duties and responsibilities to the Company lawfully and reasonably prescribed to him by the Board after reasonable notice of such failure and a reasonable opportunity to cure such failure except where such failure is due to ill-health or injury; or

6.1.7 he serves notice to terminate or otherwise terminates the Founder Contract with the Company (except where such termination is found to give rise to constructive dismissal by a court of competent jurisdiction without a right of appeal)

he will be deemed to be "Bad Leaver" for the purposes of this Article 6.

6.2 If the Founder is a Bad Leaver, the Company will have the option to purchase:

6.2.1 the Founder's Percentage of Ordinary Shares (as calculated in accordance with Article 6.4) held by the Founder ("Bad Leaver Shares") for their nominal value; and

6.2.2 all Ordinary Shares held by the Founder less the Bad Leaver Shares at the Founder's Percentage of Fair Value ("Remaining Shares").

6.2.3 If the Founder is a Good Leaver at any time during the Relevant Period, the Company shall have the option to purchase all (but not some only) of the Ordinary Shares held by the Founder at Fair Value.

6.2.4 The Founder's Percentage shall be calculated using the following formula:

$$100 - (2.0834 \times NM)$$

NM = the number of full calendar months from 22 December 2017 so that the Founder's Percentage shall be zero on the expiry of four years from 22 December 2017.

6.3 If at any time during the Relevant Period the Founder ceases to be an employee or consultant (as appropriate) with the Company, the voting rights attaching to the Ordinary Shares held by him shall be deemed to be exercised in line with the majority of the votes cast by the remaining holders of Shares from time to time. In the event of an equality of votes between the remaining holders of Shares, the Founder shall be deemed to confer irrevocable authority to the chairman of the Board from time to time to exercise the voting rights attaching

to the Ordinary Shares held by him as the chairman of the Board, acting in good faith, believes is in the best interests of the Company and the Shareholders.

7. TAG ALONG

- 7.1 In the event of a proposed transfer of Shares (other than a transfer of Shares made pursuant to Article 5.2), after going through the pre-emption procedure set out in Article 5.1, the provisions of Article 7 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (the "Proposed Transfer") which would, if carried out, result in any person ("Buyer"), and any person acting in concert with the Buyer, acquiring a Controlling Interest in the Company.
- 7.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "Offer") to the other Shareholders to buy all of the Company's issued Shares for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person acting in concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 2 months preceding the date of the Proposed Transfer (the "Specified Price").
- 7.3 The Offer shall be given by written notice (the "Offer Notice"), at least 10 Business Days (the "Offer Period") before the proposed sale date (the "Sale Date"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 7.3.1 the identity of the Buyer;
 - 7.3.2 the purchase price and other terms and conditions of payment;
 - 7.3.3 the Sale Date; and
 - 7.3.4 the number of Shares proposed to be purchased by the Buyer (the "Offer Shares").
- 7.4 If the Buyer fails to make the Offer to all of the Shareholders, the Seller shall not be entitled to complete the sale and the Company shall not register any transfer intended to effect that sale.
- 7.5 If the Offer is accepted by any Shareholder (the "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 7.6 The Proposed Transfer is subject to the pre-emption provisions of Article 5.1, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

8. DRAG ALONG

- 8.1 If the holders of more than 50% of the nominal value of the Ordinary Shares wish to transfer all of their interest in their respective Shares (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "Proposed Buyer"), such shareholders (the "Selling Shareholders") may require all the other Shareholders (the "**Called Shareholders**") to sell and transfer all their Shares to the Third Party Purchaser (or as the Third Party Purchaser directs in accordance with the provisions of this Article 7 (the "**Drag Along Option**").
- 8.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (a "Drag Along Notice") no later than 14 days before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify that:
- 8.2.1 the Called Shareholders are required to transfer all of their Shares (the "Called Shares") pursuant to this Article 8;

- 8.2.2 the person to whom the Called Shares are to be transferred;
- 8.2.3 the consideration for which the Called Shares are to be transferred (calculated in accordance with Article 8.4); and
- 8.2.4 the proposed date of transfer.
- 8.3 The terms and conditions on which the Selling Shareholders require the Called Shareholders to sell their Called Shares must be no less favourable than the terms and conditions on which the Selling Shareholders are selling their Sellers' Shares to the Proposed Buyer.
- 8.4 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 8.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 8 or the Relevant Agreement.
- 8.6 The Called Shareholders shall be obliged to sell each of the Called Shares at the same price per share and on the same terms and conditions of sale as attributed by the offer from the Third Party Purchaser to the Sellers' Shares.
- 8.7 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares.
- 8.8 The rights of pre-emption set out in these Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 8.9 Within 20 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that 20 Business Day period, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 8.10 To the extent that the Proposed Buyer has not, on the expiration of the 20 Business Day period referred to in Article 8.9, put the Company in funds to pay the consideration due, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 8 in respect of their Shares.
- 8.11 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 8.11.
- 8.12 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company,

or on 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. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 8 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.

- 8.13 On an Exit, any other sale of Shares or on a Listing (whether pursuant to the drag along or tag along provisions or pursuant to any other exit provisions in the Relevant Agreement, these Articles or otherwise howsoever occurring), Invest NI, the BBI Fund, CFM, AI and GN shall not be obliged to give any warranties, indemnities or undertakings save for warranties in respect of the title to their Shares and capacity to enter in to any relevant documentation.

9. LIEN, CALLS ON SHARES AND FORFEITURE

- 9.1 The Company shall have a first and paramount lien on every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to any amount payable in respect of it.
- 9.2 The Company may sell in such manner as the Directors determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen Clear Days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold. This lien shall attach also to fully paid Shares, and the Company shall also have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company (whether that person is the full registered holder of those Shares or one of two or more joint holders) for all sums presently payable by him or his estate to the Company.
- 9.3 To give effect to a sale the Directors may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 9.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.
- 9.5 Subject to the terms of allotment, the Directors may make calls upon the members in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen Clear Days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 9.6 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 9.7 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

- 9.8 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the Directors may waive payment of the interest wholly or in part.
- 9.9 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 9.10 Subject to the terms of allotment, the directors may make arrangements on the issue of Shares for a difference between the holders in the amounts and times of payment of calls on their Shares.
- 9.11 If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than fourteen Clear Days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited and all expenses that may have been incurred by the Company by reason of such non-payment
- 9.12 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 9.13 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 9.14 A person any of whose Shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 9.15 A statutory declaration by a Director or the secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.

10. NOTICES OF GENERAL MEETINGS

Every notice convening a general meeting shall comply with the provisions of section 325(1) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of, and other communications relating to, any general meeting which any member is

entitled to receive shall be sent to the Directors and to the auditors of the Company.

11. QUORUM AT GENERAL MEETINGS

- 11.1 Subject to Article 26, the quorum for a general meeting shall be three members present in person or by proxy, including the Founder and at least one of AI, GN, or Invest NI or BBI Fund.
- 11.2 If a quorum is not present within half an hour from the time appointed for the start of a general meeting the meeting shall be adjourned for a period of 14 Clear Days at the same time and place, or at such other time and place as the Directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for its start then the members present shall constitute a quorum.
- 11.3 Article 41 of the Model Articles shall not apply to the Company.

12. NUMBER OF DIRECTORS

Subject to the provisions of the Relevant Agreement the maximum number and the minimum number of Directors may be determined from time to time by ordinary resolution in general meeting of the Company. Subject to and in default of any such determination, the maximum number of directors shall be 6 and the minimum number shall be one. Whenever the minimum number of Director is one, a sole Director shall have authority to exercise all the powers and discretions vested in the Directors generally, and Article 10 of the Model Articles (which relates to the quorum at board meetings) is modified accordingly.

13. APPOINTMENT OF DIRECTORS

- 13.1 Subject to the provisions of the Relevant Agreement and the remaining provisions of this Article 13, the Company may by ordinary resolution in general meeting appoint any person who is willing to act to be a Director, to fill a vacancy provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with the Relevant Agreement and Article 12 as the maximum number of Directors and for the time being in force.
- 13.2 The Founder shall be entitled to appoint as a Director of the Company one person (including himself) for every 25% of the nominal value of Shares that the Founder holds, subject to a minimum of 1 appointee.
- 13.3 Subject to Article 13.6, for such times as Invest NI holds at least 5% of the nominal value of the Shares in the capital of the Company it shall be entitled:
- 13.3.1 to appoint and maintain in office, remove or substitute as a non-executive director of the Company and of any subsidiary of the Company one person to be nominated by it as a Director; and
- 13.3.2 for such times as Invest NI has not appointed a Director in accordance with Article 13.3.1 above, to appoint one observer to the Board (and any committees thereof) and by like notice to remove such observer at any time and from time to time by like notice to appoint any other person to be an observer in place of the person so removed.
- 13.4 For such times as AI and GN hold at least 5% of the nominal value of the issued capital of the Company between them they shall be entitled:
- 13.4.1 to jointly appoint and maintain in office, remove or substitute as a non-executive director of the Company and of any subsidiary of the Company one person to be nominated jointly by them as a Director; and

- 13.4.2 for such times as AI and GN has not appointed a Director in accordance with Article 13.4.1 above, to jointly appoint one observer to the Board (and any committees thereof) and by like notice to remove such observer at any time and from time to time by like notice to appoint any other person to be an observer in place of the person so removed.
- 13.5 Subject to Article 13.6, for such times as BBI holds at least 5% of the nominal value of the Shares in the capital of the Company it shall be entitled:
 - 13.5.1 to appoint and maintain in office, remove or substitute as a non-executive director of the Company and of any subsidiary of the Company one person to be nominated by it as the BBI Fund Director; and
 - 13.5.2 for such times as a BBI Fund Director is not appointed in accordance with Article 13.5.1 above, to appoint one person to be an observer to the Board and to the board of any subsidiary of the Company (and any committees thereof) and by like notice to remove such observer at any time and from time to time by like notice to appoint any other person to be an observer in place of the person so removed
- 13.6 For so long as the Co-Fund Manager and the BBI Fund Manager are the same person, Invest NI and the BBI Fund shall be entitled by written notice to be registered office of the Company;
 - 13.6.1 to jointly appoint and maintain in office, remove or substitute as a non-executive director of the Company and of any subsidiary of the Company one person to be nominated jointly by Invest NI and the BBI Fund (the "Joint Director"); and
 - 13.6.2 for such times as a Joint Director is not appointed, to jointly appoint on person to be an observer to the Board and to the board of any subsidiary of the Company (and any committees thereof) (the "Joint Observer") and by like notice to remove such Joint Observer at any time and from time to time by like notice to appoint any other person to be the Joint Observer in place of the person so removed.
- 14. BOARD MEETINGS
 - 14.1 Board meetings shall be held in accordance with the provisions of the Relevant Agreement.
 - 14.2 The quorum for a Board meeting shall be two Directors present in person or through their duly appointed alternates PROVIDED THAT if there is only one Director appointed to the Board a sole director may constitute a quorum and in the event notice of a meeting of the Directors has been correctly given and a quorum is not constituted at such meeting of the Directors after half an hour from the time appointed for such meeting then the Directors present shall adjourn the meeting for a period of fourteen Clear Days (and shall notify immediately (in writing) the absent Directors of the date, time and venue for such adjourned meeting) and in the event that at such adjourned meeting a quorum is still not present then those Directors present shall constitute a quorum (notwithstanding the provisions of this Article) to enable the adjourned meeting to proceed with the business of the agenda for that meeting. For the avoidance of doubt, observers shall not be considered for the purposes of the quorum.
 - 14.3 Board meetings may be held by telephone or over the internet and for the purposes of determining whether the quorum for the transaction of the business of the Directors exists any Director or Directors in communication with any other Director or Directors shall be counted in the quorum and Article 11 of the Model Articles shall be modified accordingly.
- 15. RETIREMENT OF DIRECTORS

The Directors shall not be required to retire by rotation.

16. DIRECTORS' BORROWING POWERS

Subject to the provisions of the Relevant Agreement the Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and, subject (in the case of any security convertible into Shares) to section 551 of the Act, to grant any mortgage, charge of standard security over the Company's undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

17. ALTERNATE DIRECTORS

17.1 An alternate Director shall not be entitled as such to receive any remuneration from the Company, except that he may be paid by the Company such part (if any) of the remuneration otherwise payable to the director by the Company as the director shall from time to time direct.

17.2 A Director may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

18. GRATUITIES AND BENEFITS

The Directors may exercise the powers of the Company conferred by these Articles and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

19. DIRECTORS' INTERESTS IN TRANSACTIONS

19.1 At any meeting of the Directors (or of any Committee of the Directors) a Director may vote on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest. If he does vote on any such resolution, his vote shall be counted. Such a Director shall be counted as part of the quorum present at the meeting (and in relation to such a resolution) whether or not the Director votes on the resolution.

19.2 Articles 14 of the Model Articles shall not apply to the Company.

20. COMPANY SEAL

20.1 Model Article 49(1) is modified, such that any common seal of the Company may be used by the authority of the Directors or any committee of Directors.

20.2 Model Article 49(3) is modified by the deletion of all words which follow the "," after the word "document" and they are replaced with "the document must also be signed by:

- (a) one authorised person in the presence of a witness who attests the signature; or
- (b) two authorised persons".

21. INDEMNITY

- 21.1 Every Director, or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under section 661 or section 1157 of the Act in which relief is granted to him by the Court; and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall have effect only in so far as its provisions are not avoided by section 232 and 532 of the Act.
- 21.2 The Directors may purchase and maintain for any Director, officer or auditor of the Company, insurance against any such liability as is referred to in section 232 and 532 of the Act.

22. GLF ORDINARY SHARES

The rights attached to the GLF Ordinary Shares are as follows:

22.1 Preferred Dividends

- 22.1.1 In respect of each Financial Year the Company shall, without resolution of the Directors or the Company (whether in general meeting or by written resolution) and before application of any profits to reserve or any other purpose, pay to the members holding GLF Ordinary Shares in priority to the dividends on any other class of shares as a class a cumulative preferential net cash dividend (the "Preferred Dividend") which is equal to five per cent (5.00%) (the "Base Percentage") of the Net Profits for the first Financial Year (or part thereof) in which the GLF Ordinary Shares are in issue, such figure increasing in each Financial Year thereafter by 1.5 times the percentage of Net Profits in the immediately preceding Financial Year (the "Preferred Dividend Ratchet"), subject to a maximum of 25% of Net Profit.
- 22.1.2 The Preferred Dividend shall be adjusted pro rata where the Growth Loan Fund is a member of the Company for part only of a Financial Year. Each Preferred Dividend shall be paid four months after the end of the relevant Financial Year or ten Business Days after the date on which the audited accounts of the Company for the relevant Financial Year are signed by the Directors, whichever is earlier.
- 22.1.3 Subject to the provisions of this Article 22.1, the GLF Ordinary Shares shall rank *pari passu* in all respects with the Ordinary Shares as to all other dividends and distributions declared.
- 22.1.4 For so long as there are GLF Ordinary Shares in issue, the Company shall require the Auditors at the Company's expense to prepare a statement of the Net Profits for each Financial Year within four months of the end of the relevant Financial Year.
- 22.1.5 Where the Company is precluded by the Act or otherwise by law from paying in full any Preferred Dividends on any date specified in this Article 22, then in respect of any such dividend which would otherwise require to be paid pursuant to these Articles on that date:
- (a) the Company shall pay, on that date, to the holders of the GLF Ordinary Shares on account of the Preferred Dividends the maximum sum (if any) which can then, consistent with the Act, be paid by the Company; and
 - (b) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the GLF Ordinary Shares pay on account of the balance of Preferred Dividends for the time being remaining outstanding, and until all arrears, accruals and deficiencies of the Preferred Dividend have been paid in full, the maximum amount of

Preferred Dividend which can, consistent with the Act, properly be paid by the Company at that time.

22.2 Capital

On a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in priority to any other class of share:

22.2.1 in paying to each member holding GLF Ordinary Shares all unpaid arrears and accruals of the Preferred Dividends on the GLF Ordinary Shares held by them (the amount of the Preferred Dividend being calculated on the pro rata basis set out in Article 22.3.3 as if the date of return of capital were the Conversion Date), calculated down to and including the date the return of capital is made (such arrears and accruals being payable irrespective of whether the relevant dividend has become due and payable in accordance with the Articles) and, subject thereto; and

22.2.2 thereafter, to all members *pari passu* in all respects with the Ordinary Shares.

22.3 Conversion

22.3.1 Any member holding GLF Ordinary Shares may at any time convert all the GLF Ordinary Shares held by that member into the same number of fully paid Conversion Shares by notice in writing given to the Company. The conversion shall take effect immediately upon the date of delivery of that notice to the Company (unless the notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled, in which case conversion shall take effect when those conditions have been fulfilled) and the Company and its members shall do all acts necessary to procure that conversion.

22.3.2 If a member holding GLF Ordinary Shares issues a notice under Article 22.3.1, that member shall deliver the certificate(s) for those Shares which are the subject of that notice (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing certificate) to the Company on or before the Conversion Date. On the Conversion Date the Company shall issue to the persons entitled thereto certificates for the Ordinary Shares arising on conversion.

22.3.3 The GLF Ordinary Shares shall rank for an apportioned part of the Preferred Dividend attributable to the Financial Year in which the Conversion Date falls, calculated on a daily basis down to and including the Conversion Date. The Company shall accordingly deliver to each holder of GLF Ordinary Shares on the Conversion Date, in cleared funds, an amount equal to the aggregate of:

- (a) all arrears and accruals of the Preferred Dividends attributable to Financial Years ending on or before the Conversion Date, whether declared or earned and payable under these Articles or not; and
- (b) the Preferred Dividends from the date of the commencement of the then current Financial Year of the Company down to and including the Conversion Date, whether declared or earned and payable under these Articles or not. "Net Profits" for this purpose in respect of the Preferred Dividend shall be the net profits of the Company, calculated on the same basis as "Net Profits", by reference to the unaudited management accounts of the Company for the period from the start of the then current Financial Year to the latest practicable date prior to the Conversion Date. If there is any dispute as to the amount of the Net Profits for this purpose the matter shall be referred for determination to the Auditors and Article 28 shall apply.

22.3.4 The Conversion Shares shall entitle the holders of them to all dividends and other distributions declared, made or paid by reference to a record date on or after the Conversion Date.

22.4 Voting

The holders of the GLF Ordinary Shares shall be entitled to:

- 22.4.1 be sent or supplied with any resolution proposed as a written resolution and to signify agreement thereto as an eligible member; and
- 22.4.2 receive notice of, attend, speak and vote at any general meetings of the Company and the holder of GLF Ordinary Shares who is present in person or by proxy or (being a corporation) is present by duly authorised representative shall, on a show of hands, have one vote, and, on a poll, have one vote each for every GLF Ordinary Share of which he is the holder.

23. APPLICATION OF PROCEEDS ON A SALE

In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders and/or the Company (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and shall be distributed as soon thereafter as is practical in the following order:

- 23.1 first in paying, in respect of all the GLF Ordinary Shares, an amount equal to all arrears of the Preferred Dividends;
- 23.2 second in paying, in respect of those GLF Ordinary Shares subject to the Sale, all accruals of Preferred Dividends up to the date of the Sale and the Issue Price thereof as if the Sale were a return of capital pursuant to Article 22.2.1; and
- 23.3 thereafter in distributing the balance to all holders of Shares *pari passu*.

24. VARIATION OF RIGHTS

- 24.1 Whenever the share capital of the Company is divided into different classes of Share, the rights attached to any such class may only be varied in accordance with section 630 of the Act. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall apply.
- 24.2 The rights conferred upon the holders of the GLF Ordinary Shares shall be deemed to be varied by the following:
 - 24.2.1 any increase, variation, alteration, subdivision, consolidation or redenomination in the share capital of the Company or the creation or the granting of any options or other rights to subscribe for, or convert into, shares of the Company or any Group Company or the variation of the rights attaching to such shares;
 - 24.2.2 the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or of any uncalled liability in respect of partly paid shares or the purchase by the Company of any of its own shares;
 - 24.2.3 the amendment of any provisions of the constitution of the Company;
 - 24.2.4 the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company;
 - 24.2.5 the calling of a meeting to consider any resolution or the sending or supplying of any resolution proposed as a written resolution in each case for the winding up, administration or entry into any arrangement with creditors of the Company or any Group Company;

- 24.2.6 the voluntary appointment by the Company or its members of a receiver, manager, administrative receiver, administrator or liquidator of the Company or any Group Company;
- 24.2.7 any disposal of the whole or substantially the whole of the business of the Company or any Group Company;
- 24.2.8 the declaration, making or payment of any dividend or other distribution to the holders of the Shares other than as expressly permitted under these Articles; and
- 24.2.9 the creation of any charge or other security by the Company or any Group Company other than arising in the ordinary course of business.

25. PERMITTED TRANSFERS OF SHARES

25.1 Permitted transfers by the Growth Loan Fund

- 25.1.1 If the Growth Loan Fund is a body corporate, it shall be entitled to transfer all or any of its Shares to any other member of the Growth Loan Fund Group but if that member of the Growth Loan Fund Group, whilst it is a holder of Shares in the Company, shall cease to be a member of the Growth Loan Fund Group, it shall, within 15 Business Days of so ceasing to be such a member, transfer the Shares held by it to a member of the Growth Loan Fund Group.
- 25.1.2 The Growth Loan Fund may transfer all or any of its Shares to any person whose business comprises to a material extent the holding for investment purposes of securities in and/or the provision of debt and other financial facilities to United Kingdom unlisted companies and includes any subsidiary undertaking, nominee, custodian or manager used by such person to hold such investments or to make available such facilities.
- 25.1.3 If the Growth Loan Fund is a limited partnership, it may transfer Shares to any partner in such limited partnership acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership).

26. QUORUM AT GENERAL MEETINGS

For so long as there are GLF Ordinary Shares in issue, a holder of GLF Ordinary Shares, present in person, by proxy or by duly authorised representative shall be required for to form a quorum at any general meeting of the Company.

27. GROWTH LOAN FUND BOARD OBSERVER

The holders of a majority of the GLF Ordinary Shares for the time being in issue shall be entitled by reasonable notice in writing to the Company to appoint one or more persons to attend Directors' meetings of the Company and to receive board papers and notice of proposed resolutions of the Directors. Such person or persons shall be known as observers and shall be entitled to reasonable notice of all such meetings and to speak at such meetings but shall not be entitled to vote.

28. DETERMINATION

- 28.1 If any matter in Articles 22 to 28 is referred by any member for determination, the Directors shall promptly instruct (and in any event within 14 days of such referral by any member) an independent referee (a "Referee") to make the determination and notify any relevant person of such instruction. If any relevant member does not agree with the instruction of that Referee, within seven days of being notified of the instruction, the Referee shall be appointed by the Chairman for the time being of the Chartered Accountants Ireland Ulster Society under the application by any member or the Directors.

- 28.2 If any matter under these Articles is referred to a Referee for determination then the Referee shall act as expert(s) and not as arbitrator(s) and their or his decision shall be conclusive and binding on the Company and all the holders of Shares (in the absence of fraud or manifest error).
- 28.3 The costs of the Referee in making any determination under these Articles shall be borne by the Company unless the Referee shall otherwise determine.
29. CIC LEGAL REQUIREMENT
- 29.1 The objects of the Company are to promote the success of the Company;
- 29.1.1 for the benefit of its members as a whole; and
- 29.1.2 through its business and operations, to have a material positive impact on (a) society and (b) the environment,
taken as a whole.
- 29.2 A Director must act in the way he or she considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in Article 29.1 above, and in doing so shall have regard (amongst other matters) to:
- 29.2.1 the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,
- 29.2.2 the interests of the Company's employees,
- 29.2.3 the need to foster the Company's business relationships with suppliers, customers and others,
- 29.2.4 the impact of the Company's operations on the community and the environment and on affected stakeholders,
- 29.2.5 the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and
- 29.2.6 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" and each a "Stakeholder Interest").
- 29.3 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.
- 29.4 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).
- 29.5 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.

