



Company No: 12582625

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ZELLAR HOLDINGS LIMITED (the 'Company')
(Adopted by shareholders' written resolution passed on 6th February 2024)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

A Share: an ordinary share of £0.001 in the capital of the Company designated as an A Share.

Act: the Companies Act 2006.

Articles: the Company's articles of association for the time being in force.

Bad Leaver: means:-

(1) a shareholder (save for a holder of Ordinary Shares) who is, or has been, a director and/or an employee of any Group Company and who ceases to be a director and/or employee of any Group Company without becoming or continuing as a director or employee of any other Group Company otherwise than by reason of:

- (a) death;
- (b) permanent disability or permanent incapacity through ill-health;
- (c) their voluntary resignation at any time following the expiry of five years from 21st October 2022 (in accordance with the provisions of their employment contract with the Company or other agreement with the Company for the provision of services to the Company) in circumstances where they are not in material breach of those contractual arrangements with the Company and the Company would not otherwise have grounds to dismiss them or to terminate those arrangements without notice; or
- (d) retirement at the state pension age applicable at the time of retirement;
- (e) ceasing to be employed by any Group Company as a result of a Group Company ceasing to be a Group Company; or
- (f) the termination by the relevant Group Company of their employment contract with a Group Company or other agreement for the provision of services to a Group Company for whatever reason in circumstances where they are not in material

breach of those contractual arrangements and the relevant Group Company would not otherwise have grounds to terminate such contract or agreement without notice; or

- (g) their dismissal by a Group Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or unfair in circumstances where such determination is not made on the grounds of procedural irregularity; or
- (h) their removal as a director of a Group Company in accordance with the provisions of section 168 of the Act in circumstances where they are not in breach of their fiduciary duties to the relevant Group Company; or
- (2) a shareholder who is in material or persistent breach of (i) any shareholders' agreement in relation to any Group Company to which they are a party; or (ii) of their contract of employment with a Group Company or of any other contract with any Group Company to which they are a party; or (iii) their fiduciary duties to any Group Company.

Beneficial Owner: means a person whose shares are held on trust by NomineeCo.

Board: the board of directors of the Company as constituted from time to time or, if there is only one director, the sole director of the Company.

Business day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business.

C Share: an ordinary share of £0.001 in the capital of the Company designated as a C Share.

Control: has the meaning set out in section 1124 of the Corporation Tax Act 2010.

Controlling Interest: any interest in any shares conferring in the aggregate 51 per cent or more of the total voting rights conferred by all the shares for the time being in issue and conferring the right to vote at all general meetings of the Company.

Critical Illness: any illness which results in the shareholder in question taking in excess of twelve months of absence from the business of any Group Company due to illness or injury (or such longer period of absence as shall be authorised by the holder(s) of the majority of the Ordinary Shares). For the purposes of these Articles, the 'establishment' of Critical Illness shall be the date on which the twelve month period referred to in this definition expires.

Eligible director: a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

Fair Value: in relation to Shares, as determined in accordance with Article 11.6.3.

Family Trust: in relation to a shareholder who is an individual, a trust set up wholly for the benefit of that shareholder and/or that shareholder's Privileged Relations.

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly.

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles.

NomineeCo: means Crowdcube Nominees Limited (company number 09820478) or a Permitted Transferee of such Nominee.

Ordinary Share: an ordinary share of £0.001 in the capital of the Company designated as an Ordinary Share.

Original Shareholder: means a shareholder who has acquired their Shares otherwise than pursuant to a Permitted Transfer.

Permitted Group: in relation to a company, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company and each company in a Permitted Group is a **member of the Permitted Group**. Unless the context otherwise requires, the application of the definition of Permitted Group to a company at any time will apply to the company as it is at that time.

Permitted Transfer: a transfer of Shares made in accordance with Article 11.4.

Permitted Transferee: (i) in relation to a shareholder who is an individual, any of their Privileged Relations or the trustee(s) of a Family Trust; or (ii) in relation to a shareholder which is a company, a member of the same Permitted Group as that shareholder; or (iii) in relation to NomineeCo, another trust company.

Privileged Relation: in relation to a shareholder who is an individual (or a deceased or former shareholder who is an individual), a spouse, civil partner (as defined in the Civil Partnerships Act 2004), sibling, child or grandchild (including step or adopted or illegitimate child and their issue).

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for, Shares, issued by the Company after the date of adoption of these Articles other than the grant of any options pursuant to an Option Scheme or Shares issued pursuant to the exercise of such options.

Share Option Scheme: a scheme implemented by the directors for the issue of options over Shares to employees and/or consultants of the Group.

Shares: shares in the capital of the Company of whatever class.

Subsidiary: in relation to a company wherever incorporated (a holding company) means a "subsidiary" as defined in section 1159 of the Act.

Transfer Notice: an irrevocable notice in writing given by a shareholder in accordance with Article 12 where a shareholder wishes to transfer or offer for transfer (or enters into an agreement to transfer) any shares or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares.

Writing or written: includes emails but not other electronic form save that, for the purposes of Articles 7, 10, 11, 12 and 13 "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form.

Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles,

subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

- 1.2 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.5 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.7 Articles 8, 9(1), 11(2) and (3), 14(1), (2), (3) and (4), 17(2), 26(5), 27-29, 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.8 Article 7 of the Model Articles shall be amended by:
 - (a) the replacement of the words "Article 8" with the words "these Articles";
 - (b) the insertion of the words "for the time being" at the end of Article 7(2)(a);
 - (c) the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"; and
 - (d) the insertion of the words at the end of Article 7(2) "A sole director shall be entitled to exercise all powers and discretions conferred on the directors by the Act or the Articles and nothing in these Articles is to be construed as requiring the Company to have more than one director".
- 1.9 Article 20 of the Model Articles shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 1.10 In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.11 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".
- 1.12 A person includes a natural person and a corporate or unincorporated body (whether or not having a separate legal personality).

DIRECTORS

2. UNANIMOUS DECISIONS OF DIRECTORS

- 2.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision 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.
- 2.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

3. CALLING A DIRECTORS' MEETING

- 3.1 Any director may call a meeting of directors by giving not less than 10 business days' notice of the meeting (or such shorter period of notice as agreed in writing by all the directors) to each director or by authorising the company secretary (if any) to give such notice. Meetings of the directors shall take place monthly.
- 3.2 Notice of any directors' meeting must be accompanied by:
 - (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - (b) copies of any papers to be discussed at the meeting.
- 3.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

4. QUORUM FOR DIRECTORS' MEETINGS

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors one of which shall be a holder of Ordinary Shares, unless there is only one director in office for the time being, when that director shall form a quorum. No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 business days at the same time and place. The quorum at any adjourned meeting shall be one director, who shall be a holder of Ordinary Shares.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 5 to authorise a director's conflict, if the number of non-conflicted directors present at the meeting is less than the quorum required for a meeting, the quorum for such meeting (or part of a meeting) shall be all the disinterested directors present at the meeting.
- 4.3 The Chairman of any meeting of the directors shall be a holder of Ordinary Shares and shall have a casting vote.

5. DIRECTORS' INTERESTS

- 5.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching their duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

5.2 Any authorisation under this Article 5 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

5.3 Any authorisation of a Conflict under this Article 5 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through their involvement in the Conflict and otherwise than through their position as a director of the Company) information that is confidential to a third party, they will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent themselves from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

5.4 Where the directors authorise a Conflict:

- (a) the Interested Director will be obliged to conduct themselves in accordance with any terms and conditions imposed by the directors in relation to the Conflict; and
- (b) the Interested Director will not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the Act, provided they act in accordance with such terms and conditions (if any) as the directors impose in respect of their authorisation.

5.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

- 5.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which they derive from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 5.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided they have declared the nature and extent of their interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which they are interested;
 - (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which they are interested;
 - (d) may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and their firm shall be entitled to remuneration for professional services as if they were not a director;
 - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as they may otherwise agree, be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of their duty under section 176 of the Act.

6. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

7. APPOINTMENT AND REMOVAL OF DIRECTORS

- 7.1 There shall be no maximum number of directors and the minimum shall be one.
- 7.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

8. SECRETARY

The directors may appoint any person who is willing to act as the Secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

9. SHARE CAPITAL

- 9.1 The share capital in the Company is divided into Ordinary Shares, A Shares and C Shares. Except as provided otherwise in these Articles, the Ordinary Shares, the A Shares and the C Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

- 9.2 The rights of the Ordinary Shares, the A Shares and the C Shares are as follows:-

9.3 As to income

The profits of the Company available for dividend and resolved to be distributed in each financial year of the Company or other period for which the accounts shall be made up shall be divided among the holders of the Ordinary Shares, the A Shares and the C Shares in proportion to the respective nominal value of such Shares.

9.4 As to capital

On a winding-up or liquidation or other return of capital the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority, namely:-

- 9.4.1 firstly in repaying to the holders of Ordinary Shares, the A Shares and the C Shares the amount paid up (including any premium thereon) on each Ordinary Share, A Share and C Share provided that if there are not sufficient surplus assets to make these repayments in full the Ordinary Shares, the A Shares and the C Shares shall be treated as ranking *pari passu* for the purposes of such repayments and the entitlements of the holders of the Ordinary Shares, the A Shares and the C Shares set out in this Article 9.4.1 shall be scaled down accordingly; and
- 9.4.2 secondly the balance, if any, of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares, the A Shares and the C Shares in the same proportion as the nominal value of their respective shareholdings bears to the total nominal value of the shares in issue at the date of such winding-up, liquidation or other return of capital in proportion to the amount paid up on such shares.

9.5 **As to voting**

The holders of the Ordinary Shares, the A Shares and the C Shares shall be entitled to attend and vote in person or by proxy at all general meetings of the Company or by way of written resolution and on a poll on any resolution of the Company each holder of Ordinary Shares, A Shares and C Shares shall have one vote in respect of each Ordinary Share, A Share and C Share of which he shall be the holder.

9.6 The rights conferred upon the holders of any shares or class of shares shall not (subject always to article 10), unless otherwise expressly provided in the rights attaching to, or the terms of issue of, such shares, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith or, in the case of the Ordinary Shares by the creation or issue of further A Shares or C Shares, in the case of the A Shares by the creation or issue of further Ordinary Shares or C Shares or in the case of the C Shares by the creation or issue of further Ordinary Shares or A Shares.

9.7 Unless otherwise agreed by the holder of the majority of Ordinary Shares, on the transfer of any Share as permitted by these Articles:

- (a) a Share transferred to a non-shareholder shall remain of the same class as before the transfer; and
- (b) a Share transferred to a shareholder shall automatically be re-designated on transfer as a Share of the same class as those Shares already held by the shareholder.

If no shares of a class remain in issue following a re-designation under this Article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, shareholders of that class or directors appointed by that class.

9.8 No variation of the rights attaching to any class of shares shall be effective except with:

- a) a special resolution passed at a separate general meeting of the holders of that class; or
- b) a written resolution in any form signed by or on behalf of the holders of not less than 75 percent in nominal value of the issued Shares of that class.

9.9 Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

10. UNISSUED SHARES

10.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

10.2 Subject to the remaining provisions of this Article 10 and to section 551 of the Act, any equity securities shall be at the disposal of the directors 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.

- 10.3 If the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer 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 those holders (as nearly as possible without involving fractions). The offer:
- (a) shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of those Relevant Securities; and
 - (b) may stipulate that any shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which they are entitled shall, in their acceptance, state the number of excess Relevant Securities (***Excess Securities***) for which they wish to subscribe.
- 10.4 Any Relevant Securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 10.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 10.3. If there are insufficient Excess 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 10.3 (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 Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

11. SHARE TRANSFERS

- 11.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal 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.
- 11.2 Except where the provisions of Article 11.4 apply, any transfer of Shares by a shareholder shall be subject to the pre-emption rights set out in Article 12.
- 11.3 The directors may refuse to register the transfer of a Share without giving any reason other than a transfer duly entered into and lodged pursuant to the provisions of Article 11.4. The directors shall be obliged to register any transfer duly lodged pursuant to Article 11.4, and shall register any transfer in respect of which they have no discretion to refuse registration under any other provision of these Articles within 30 days of the same being so lodged.
- 11.4 The directors shall approve and register the transfer of any Share:
- (a) to any person with the consent in writing of the holder(s) of the majority of the Ordinary Shares (acting reasonably); and
 - (b) by an Original Shareholder to a Permitted Transferee, provided that, in the case of a transfer to a Family Trust, the Original Shareholder is and remains the first named trustee of that Family Trust and the Family Trust is for the benefit of the Original Shareholder and/or the Original Shareholder's Privileged Relations;

- (c) to the legal personal representatives of the holder of those Shares and by such legal personal representatives to the persons beneficially entitled to such Shares under the provisions of the will of the holder of such Shares or the laws as to intestacy, in the event of the intestacy of the holder of such Shares, provided that the persons beneficially entitled to such Shares are Privileged Relations of the deceased Shareholder;
- (d) by a Permitted Transferee to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or by the trustees of a Family Trust to the new or remaining trustees of that Family Trust on a change of trustees; and
- (e) by Gary Styles (or his successors in title) in respect of up to 8,028,038 Ordinary Shares to an employee or consultant of the Group pursuant to any Share Option Scheme.

A Beneficial Owner shall be entitled at any time to transfer his entire beneficial interest in the Shares held on trust for him by NomineeCo without restriction to any person, provided that the legal title in such Shares continues to be held by NomineeCo and the transferee is (or becomes prior to the completion of the transfer) a member of the crowdfunding platform operated by Crowdcube Capital Limited.

- 11.5 The director may, as a condition to the registration of any transfer of Shares (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 11.5, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

- 11.6 For the purposes of Articles 11 and 12:-

- 11.6.1 **Relevant Shares** means the Shares registered in the name of a shareholder.
- 11.6.2 **Relevant Shareholder** shall mean the holder(s) of Shares (other than the seller) on the date of the relevant Transfer Notice.
- 11.6.3 **"fair value"** means in the case of a transfer of Shares pursuant to Article 11 or Article 12, the amount per Share (as the case may be) agreed by the directors of the Company and the seller (as hereinafter defined) or, in default of agreement being reached within 10 clear days of the giving of the relevant Transfer Notice such amount as shall be certified by an independent chartered accountant appointed by agreement between the seller and the directors or in default of such agreement being reached within 15 clear days of the giving of the relevant Transfer Notice by the President or other duly authorised officer for the time being of the Institute of Chartered Accountants in England and Wales (**Independent Accountant**) as being the fair value of such Share as at the date of the Transfer Notice calculated as between a willing buyer and a willing seller contracting on arms' length terms and having regard to the fair value of the business as a going concern but taking no account of the fact that the Share represents a minority interest or a majority interest, except in circumstances where the shareholder in question is a Bad Leaver, where the applicable level of discount set out in Article 12.10 shall be applied to all the Shares registered in their name. For the purposes of his valuation the

Independent Accountant shall consider and take into account any submission concerning the value of the Shares received by him from the directors and/or the seller within ten days of notice given by the Company of the acceptance of his appointment (but shall not take into account the value of the proceeds of any keyman insurance policy relating to any of the shareholders). Fair value for each Sale Share (as defined below) of a Permitted Transferee the subject of a deemed Transfer Notice under Article 12 shall be the same as the fair value for each Sale Share of the Original Shareholder.

- 11.7 The directors shall use all reasonable efforts to procure that in default of agreement the fair value is determined by the Independent Accountant and his certificate given by the Company as a notice to all the Relevant Shareholders (pursuant to Article 12.2) as quickly as possible after the issue of the Transfer Notice. The Independent Accountant shall act as an expert and not as an arbitrator and his certificate shall be final and binding on the Company, the seller and the Relevant Shareholders save in the case of negligence or manifest error. The costs of the Independent Accountant shall be borne by the Company unless the seller shall have withdrawn the Transfer Notice pursuant to Article 12.1, in which case the seller shall bear such costs.

12. PROCEDURE FOR THE TRANSFER OF SHARES

Subject to Article 11 and Article 13:-

- 12.1 Except in the case of a transfer pursuant to Article 11.4 or Article 13, any person proposing to transfer any Share or transfer or dispose of any beneficial interest in or over any Share (**seller**) shall, before doing so, give a Transfer Notice to the Company, accompanied by the certificate for the Shares concerned or a declaration of loss in a form acceptable to the directors, and specifying, save in the case of a Transfer Notice given or deemed to be given pursuant to Article 12.6, the person (if any) to whom they intend to transfer the Shares if the pre-emption rights under this Article 12 are not exercised and, if a Company, the persons they believe ultimately Control it. A shareholder must transfer all and not some only of his Shares. The Transfer Notice shall constitute the Company their agent for the sale as beneficial owner of any or all the Shares specified in the notice (**Sale Shares**) in accordance with Articles 12.2, 12.3 and 12.4. The Sale Shares shall be sold together with all rights and benefits attaching to them as at the date of the Transfer Notice, including the right to receive dividends and distributions declared, paid or made by the Company on or after the date of the Transfer Notice and the right to be sold or allotted any other Shares in the Company by virtue of holding the Sale Shares, provided that the seller may exercise or refrain from exercising any such right to be sold or allotted Shares as they may see fit with the consent of the directors so long as no buyer has been found for the corresponding Sale Shares. The Transfer Notice must be counter-signed by any person having any beneficial or other vested interest in any of the Sale Shares except in the case of any Shares held on trust, which shall only require the relevant trustees to sign the Transfer Notice. In circumstances where the fair value of the Sale Shares is not agreed between the seller and the directors the seller shall be entitled to withdraw the Transfer Notice within five business days of the giving of notice of the Independent Accountant's certificate pursuant to Article 11.6.3 save that the right to withdraw the Transfer Notice shall not apply where the seller is obliged to give or is deemed to have given a Transfer Notice pursuant to these Articles. Save as aforesaid a Transfer Notice shall not be revocable except with the consent of the directors.

12.2 As soon as practicable (and in any event within 10 business days) after whichever is the later of the giving to the Company of any Transfer Notice or the date of the giving of notice of the Independent Accountant's certificate pursuant to Article 11.6.3, the Sale Shares shall be offered by the Company by written notice to:

12.2.1 the Relevant Shareholders; and then

12.2.2 (if the shareholders are unable or unwilling to purchase such Sale Shares or are sellers) to the Company (provided that the Sale Shares may only be purchased by the Company in accordance with the Act and if the directors are reasonably satisfied that the disposal of the Sale Shares will satisfy the 'purchase by unquoted company of own shares' rules in section 1033 of the Corporation Tax Act 2010 (as amended from time to time),

in each case for purchase at the agreed or certified value as the case may be. The offer shall, where applicable, in each case be accompanied by a copy of the Transfer Notice and state the date on which the offer contained in the Company's notice will end on which date such offer shall lapse to the extent not accepted by then by written notice and (if applicable) shall be conditional on acceptances for all or a specified part of the Sale Shares being received, as provided in the Transfer Notice. The shareholders shall have 14 days to accept the offer by written notice (subject to the provisions of Article 12.2(a) below).

Thereafter any Sale Shares not accepted by the shareholders shall be offered to the Company and the Company shall have 14 days to accept such offer, subject to the provisions of Article 12.2.2 and Article 12.2(b) below. The offer to the Relevant Shareholders and/or the Company shall lapse to the extent not accepted during the timeframes set out in this Article and (if applicable) shall be conditional on acceptances for all or a specified part of the Sale Shares being received, as provided in the Transfer Notice.

Where the offer is to the Relevant Shareholder(s), Article 12.1(a) shall apply and, where the offer is to the Company, Article 12.2(b) shall apply.

- (a) **Offer to Relevant Shareholder(s):** An offer to purchase shall be deemed to be made on the day on which notice is given to the Company, which notice shall constitute an irrevocable offer to purchase which shall not be revocable except with the consent of the directors and shall state the maximum and (if the acceptor so wishes) the minimum number of Sale Shares which the acceptor will purchase. In the case of competition between the Relevant Shareholders, the Sale Shares shall be sold to the acceptors in proportion to their existing holdings of Shares.
- (b) **Offer to Company:** The Company shall give notice in writing to the seller (**Buyback Notice**) stating that the Company shall purchase the Sale Shares, specifying the place and time for completion of the transfer of such Sale Shares (which shall be at least 5 business days, but not more than 10 business days, after the date of the Buyback Notice). On the date specified for completion in the Buyback Notice, the seller shall, against payment from or on behalf of the Company, transfer such Sale Shares to the Company in accordance with any requirements specified in the Buyback Notice. Article 12.3.2 shall apply mutatis mutandis in the event that the seller fails to comply with this Article 12.2(b). Any purchase of Sale Shares by the Company shall be by way of a share buyback, carried out in accordance with the Act. Any shares acquired by the Company shall be immediately cancelled.

- 12.3 In case of a purchase of the Sale Shares by the Relevant Shareholders, the Company shall promptly give notice to the acceptors and the seller specifying the Sale Shares for which acceptances have been duly received, and the names of the relevant acceptors (**purchasers**) which shall constitute a binding contract for the sale and purchase of the Sale Shares specified therein.
- 12.3.1 Save in the case of purchase by the Company the seller shall send the Company duly executed transfer document(s) for the Sale Shares within 5 business days of that notice and each purchaser shall send the price for their Sale Shares to the seller within 5 business days of the Company informing them that it holds the relevant transfer document(s) (which shall, where applicable, be released to the purchaser for stamping after they have paid the price of the Sale Shares concerned). The Company shall be paid the purchase money in trust for the seller, and its receipt shall be a good discharge to the purchaser.
- 12.3.2 If the seller does not lodge the transfer document(s) for any of the Sale Shares within the time limits set out in this Article 12.3, the directors shall have irrevocable authority at any time, without obtaining the sanction of the seller, to appoint any person to execute any transfer (or agreement to transfer) of the Sale Shares and to deliver it on the seller's behalf.
- 12.3.3 In the case of purchase by the Company, the seller and the Company shall complete the sale of the Sale Shares as provided in this Article 12.3 (*mutatis mutandis*).
- 12.4 If the Company's offer in respect of any of the Sale Shares has either lapsed or been declined by written notice by all possible purchasers, then the Company shall give written notice to the seller (with copies to all the Relevant Shareholders) specifying the Sale Shares concerned. Subject to Articles 12.5 to 12.6 (inclusive) where the Transfer Notice specified a buyer or buyers for some or all of the Sale Shares concerned, the seller shall then be entitled to transfer those Sale Shares to the buyer(s) named in the Transfer Notice as beneficial owner(s) on a bona fide sale for any consideration which is not less than the fair value provided that:-
- 12.4.1 any director may require to be satisfied that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance to the purchaser, and otherwise in accordance with this Article 12, and, if not so satisfied, may refuse to register the instrument of transfer;
- 12.4.2 any consideration in kind shall be valued for the purposes of Article 12.4.1 if any director so elects by the Independent Accountant who shall be appointed and shall act on the same basis *mutatis mutandis* as set out in 11.6 and 11.7; and
- 12.4.3 any sale under this Article 12.4 must be completed, and the relevant transfer(s) lodged for registration, within 45 days from the date of the Company's notice under Article 12.4.
- 12.5 In the event that a Transfer Notice issued under Article 12.1 shall not specify the identity of the person to whom the seller under that Article intends to transfer the Sale Shares if the pre-emption rights under Article 12 are not exercised, and (if a Company) the persons the seller believes ultimately Control it, then prior to transferring the Sale Shares pursuant to Article 12.4 the seller shall be bound to re-offer the Sale Shares to the Relevant Shareholders and the Company in accordance with the provisions of Article 12.1 specifying

in the Transfer Notice the identity of the person to whom they intend to transfer the Sale Shares if the pre-emption rights under this Article 12 are not exercised and (if a Company) the persons they believe ultimately Control it.

- 12.6 A shareholder shall be deemed to have given a Transfer Notice in accordance with the provisions of Article 12.1 in respect of all their Relevant Shares, in the following circumstances:-
- 12.6.1. in the event of that shareholder (being an individual) being declared bankrupt (when a Transfer Notice shall be deemed to have been given as at the date of bankruptcy) or (being a body corporate) if any action or legal proceedings are started or other steps taken for the winding up (other than a voluntary winding up for the purposes of reconstruction provided that such reconstruction does not result in a transfer of the shareholder's Shares to any person other than a Permitted Transferee) administration or dissolution of such shareholder (when the Transfer Notice shall be deemed to have been given the day prior to the date of commencement of any such action, legal proceedings or other steps) or if an order is made for the appointment of a liquidator, trustee, administrator, receiver or administrative receiver of such shareholder in respect of the whole or any part of its undertaking, assets, rights or revenue, and the same is not discharged within 14 days of such appointment (when a Transfer Notice shall be deemed to have been given the day prior to the day on which any such order was made); or
 - 12.6.2 if any person shall become entitled to have the Shares of that shareholder (other than a holder of C Shares) transferred to him under the terms of any interest or equity of any third person over any Shares (including, without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption otherwise than in accordance with the provisions of these Articles) or any mortgage, charge, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in any Shares (when a Transfer Notice shall be deemed to have been given in respect of all the Shares registered in the name of such shareholder on the day prior to the day on which any such entitlement arose). For the avoidance of doubt, the provisions of this Article 12.6.2 shall not apply to any holder of C Shares, a transfer which is permitted under Article 11 or which complies with the provisions of 12.1 to 12.5 (inclusive); or
 - 12.6.3 save for a holder of C Shares, if within eighteen months of the death of that shareholder (other than a holder of Ordinary Shares) the legal personal representatives of the deceased shareholder are required by notice in writing given by the directors to give or procure the giving of a Transfer Notice in respect of all the Shares then beneficially held by or registered in the name of such deceased shareholder then the legal personal representatives of the deceased shareholder shall give such Transfer Notice or if they fail to give such Transfer Notice within 30 days of being required to do so shall be deemed to have given such Transfer Notice to the directors in respect of all such Shares; or
 - 12.6.4 save for a holder of C Shares, if within eighteen months of the establishment of the Critical Illness of that shareholder (other than a holder of Ordinary Shares) he is required by notice or notices in writing given by the directors to give or procure the giving of a Transfer Notice in respect of all the Shares then beneficially held by them or registered in their name then they shall give such Transfer Notice or if they fail to

give such Transfer Notice within 30 days of being required to do so shall be deemed to have given such Transfer Notice to the directors in respect of all such Shares; or

- 12.6.5 if that shareholder commits a material or persistent breach of any shareholders' agreement to which they are a party in relation to the Shares or of any other agreement between that shareholder and a Group Company which, if capable of remedy, has not been remedied within 20 business days of the other shareholder(s) or the Company requiring such remedy by written notice to the shareholder in breach, if they are required, by notice or notices in writing given by the directors to the relevant Shareholder within eighteen months of such breach, to give or procure the giving of a Transfer Notice in respect of all the Shares then beneficially held by or registered in their name or if they fail to give such Transfer Notice within 30 days of being required to do so shall be deemed to have given such Transfer Notice to the directors in respect of all such Shares; or
- 12.6.6 save for a holder of C Shares, if that shareholder (other than a holder of Ordinary Shares) ceases to be a consultant to or an employee or director of any Group Company for whatever reason, if required by notice or notices in writing given by the directors to the relevant shareholder within eighteen months of the termination of such employment or consultancy arrangements or directorship (as the case may be) or if they fail to give such Transfer Notice within 30 days of being required to do so shall be deemed to have given such Transfer Notice to the directors in respect of all such Shares; or
- 12.6.7 on a change of control (as control is defined in section 1124 of the Corporation Tax Act 2010) of that shareholder (save for a holder of C Shares) if required by notice or notices in writing given by the directors to them within whichever is the later of 18 months of such change of control taking place or the date on which the Company became aware that such change of control had taken place, although in the case of a Permitted Transferee that ceases to be a member of the Permitted Group, it shall transfer the Shares back to the Original Shareholder or to another Permitted Transferee of such Original Shareholder in accordance with Article 11.5 rather than being deemed to have served a Transfer Notice under this Article,

provided always that in the circumstances set out in this Article 12.6 if no purchasers can be found for any such Shares then the person or persons entitled to such Shares pursuant to any of the events specified in Article 12.6 shall be entitled to be registered as a shareholder in respect of such Shares subject to receipt by the Company of the relevant documents of transfer or title and the relevant share certificates or, if already the registered holder of such Shares, to remain a shareholder in respect of such Shares (as the case may be).

If any of the events set out in this Article 12.6 occurs in relation to a shareholder (save for a holder of C Shares) then that shareholder shall not be entitled to exercise their votes as a director or shareholder of the Company in relation to the matter in question and all other matters directly related to that matter. In these circumstances the quorum for a director's meeting shall be reduced to one director.

- 12.7 If a shareholder is deemed to have served a Transfer Notice under Article 12.6.5 then any Permitted Transferee of that shareholder shall also be deemed to have served a Transfer Notice in respect of all of their Relevant Shares.
- 12.8 In the case of a Transfer Notice served or deemed to be served under Article 12.6.:-
- 12.8.1 the Transfer Notice shall be deemed to have required all but not some only of the Sale Shares (and as applicable, all the Relevant Shares of their Permitted Transferees) to be sold and in the event that the pre-emption rights in Article 12 are not exercised shall constitute the Company the seller's agent in relation to the sale of the Sale Shares to a third party in accordance with the provisions of Article 12.4.
- 12.8.2 the seller shall have no right to withdraw the Transfer Notice following the certificate of the Independent Accountant pursuant to Article 11.6.3.
- 12.9 Any director may require any shareholder, or the personal representatives of any deceased shareholder, or any proposed transferee of Shares, to supply to the Company within such reasonable time as the request specifies such information and evidence as the notice may reasonably specify to establish whether a particular share transfer is permitted under the Articles or whether a Transfer Notice may be required under the Articles, or whether there has been any breach of Articles 11 and 12. Unless the information and evidence is supplied within the time specified in the request and establishes the right to make the transfer in question, or that no Transfer Notice may be required (as the case may be), the directors may (as the case may be) refuse to register any transfer specified in the advice, or may require by notice in writing that a Transfer Notice be given or may direct that until the default is remedied or the directors otherwise specify, either generally or in any particular respect, the Shares shall be subject to any or all of the restrictions set out in the Act.
- 12.10 Any provision of these Articles requiring a Transfer Notice to be given in respect of Shares where the holder is not also the sole beneficial owner shall be construed as requiring such a notice to be given by the holder and countersigned by all other persons having any beneficial or other vested interest in the Shares or their relevant trustees. Neither the Company nor any other shareholder shall be concerned as to the application of any monies paid to or for the benefit of the holder under these Articles or any restrictions on their power to transfer the Shares otherwise than under these Articles.
- 12.11 Where the shareholder in question is a Bad Leaver, then the Independent Accountant shall adjust the price of the shareholding in question and the shareholding of any Permitted Transferee to reflect the fact that the shares represent a minority interest. In these circumstances the following discounts shall be applied:-

Percentage shareholding	Discount
25% or less	75%
26% - 49%	50%
50% - 74%	25%
75% or more	5%

- 12.12 Any transfer of shares by way of a sale that is required to be made under this Article 12 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

Transfers by Permitted Transferees

- 12.13 If a transfer of Shares has been made to a Permitted Transferee that is a member of the Permitted Group, that Permitted Transferee shall within five business days of ceasing to be a member of the Permitted Group transfer all of the Shares held by it to (a) the Original Shareholder; or (b) another Permitted Transferee of that Original Transferee. If the Permitted Transferee fails to make a transfer in accordance with this Article 12.13, 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 12.13.
- 12.14 If a Permitted Transfer has been made to a Privileged Relation of an Original Shareholder, that Privileged Relation shall within 30 business days of ceasing to be a Privileged Relation of that Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise but not by reason of death) execute and deliver to the Company a transfer of the Shares held by them to that Original Shareholder (or, if so directed by that Original Shareholder, to a Permitted Transferee of that Original Shareholder) for such consideration as may be agreed between them, failing which they shall be deemed to have given a Transfer Notice in respect of the Shares in accordance with Article 12.6.
- 12.15 On the death or bankruptcy of a Privileged Relation (other than a joint holder), their personal representatives or trustee in bankruptcy (as the case may be) shall offer the Shares held by the Privileged Relation for transfer to the Original Shareholder or, if so directed by that Original Shareholder, to a Permitted Transferee of that Original Shareholder, within 30 business days after the grant of probate or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between that Original Shareholder and the personal representatives or trustee in bankruptcy (as the case may be). If:
- (i) a transfer of the Shares has not been executed and delivered within 10 business days of the grant of probate or the making of the bankruptcy order (as the case may be); or
 - (ii) the Original Shareholder is themselves the subject of a bankruptcy order,
- the personal representatives or trustee in bankruptcy (as the case may be) shall be deemed to have given a Transfer Notice in respect of the Shares in accordance with Article 12.6.
- 12.16 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 10 business days of that Family Trust ceasing to be wholly for the benefit of the Original Shareholder and/or the Original Shareholder's Privileged Relations or that Original Shareholder ceasing to be the first named trustee of that Family Trust, execute and deliver to the Company a transfer of the Shares held by them or the Family Trust to that Original Shareholder or, if so directed by that Original Shareholder, to a Permitted Transferee of that Original Shareholder, for such consideration as may be agreed between them, failing which the trustees shall be deemed to have given a Transfer Notice in respect of the Shares in accordance with Article 12.6.

13. OFFERS FOR SHARES

- 13.1 In the event of a bona fide offer being received from a third party on arm's length terms (**Proposed Buyer**) for all the issued shares of the Company which is acceptable to the holders of 51% of the Shares in issue for the time being (**Selling Shareholders**) then, subject to such offer being communicated to each shareholder in writing with the relevant shareholders' recommendation as to acceptance thereof (**Offer Notification**), subject to article 13.2 each shareholder (**Called Shareholder**) shall accept the same in respect of all of the shares held by them (**Called Shares**) and shall transfer their Called Shares to the Proposed Buyer in accordance with the terms of the offer and the remaining provisions of this Article 13. If any Called Shareholder does not, on or before the completion date notified to them by the Selling Shareholders (which must be a date not later than 30 days after the date of the Offer Notification) deliver transfer(s) in favour of the Proposed Buyer in respect of all his Called Shares to the Company, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent to execute all necessary transfers on their behalf, against receipt by the Company (on trust for such Called Shareholder) of the purchase price payable for the Called Shares and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares the validity of such proceedings shall not be questioned by any person. Failure to produce the share certificates shall not impede the registration of shares under this Article 13.
- 13.2 The holder of any C Shares in the Company shall be obliged to accept the Offer Notification only in circumstances where their Called Shares are sold on the same terms as those of the Selling Shareholders, save that:
- a) a holder of C Shares is required to give only title and capacity warranties to the Proposed Buyer under any acquisition agreement in respect of their Called Shares; and
 - b) the holder of any C Shares will receive consideration in full and only in the form of cash in respect of their Called Shares (unless the holder of C Shares determines otherwise in its sole discretion).
- 13.3 Upon any person, following the issue of an Offer Notification, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a Share Option Scheme (a **New Shareholder**), an Offer Notification shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Offer Notification, who shall then be bound to sell and transfer all such Shares acquired by them to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 13 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Offer Notification being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares.
- 13.4 Neither the proposed sale of the Shares by the Selling Shareholders to the Proposed Buyer nor the sale by the Called Shareholders in accordance with Article 13.1 shall be subject to the rights of pre-emption set out in Article 12.

- 13.5 Notwithstanding any other provisions of these Articles, no shareholder or shareholders (either alone or jointly) shall be entitled to sell a Controlling Interest to any person who is not already a shareholder without first procuring that an offer is made to each other shareholder, such offer to be made by notice in writing (an **Offer Notice**) to each shareholder (each an **Offeree**) and to be open for acceptance for 30 days from the date on which the Controlling Interest has been or is to be sold, to sell to the proposed transferee or transferees of such Controlling Interest all (but not part only) of the shares registered in his name at the date of exercise for a consideration in cash per share equivalent to that offered or paid or payable by the proposed transferee or transferees and subject only to appropriate warranties being given by each such shareholder in respect of the legal and beneficial ownership of the shares to be sold by him pursuant to this Article 13.3 or (in default) to procure that, subject to the requirements of the Act and these Articles, the Company purchases the shares of such shareholder. The Offer Notice provided to each Offeree shall specify the identity of the buyer, the amount of consideration in cash offered per Share, the number and class of Shares offered to be purchased and the date fixed for completion of the proposed transfer of the Controlling Interest.

Decision making by shareholders

14 QUORUM FOR GENERAL MEETINGS

- 14.1 The quorum at any general meeting of the Company shall be two persons present in person or by proxy, one of which must be a holder of Ordinary Shares.
- 14.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 business days at the same time and place. The quorum at any adjourned meeting of shareholders shall be one person present in person or by proxy, who must be a holder of Ordinary Shares.

15 CHAIRING GENERAL MEETINGS

The chairman shall be appointed by the shareholders attending the general meeting and shall not have a casting vote.

16 VOTING

At a general meeting, on a show of hands every shareholder who is present in person or by proxy and is entitled to vote shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy and who is entitled to vote shall have one vote for each share of which they are the holder; and on a vote on a written resolution every shareholder who is entitled to vote has one vote for each share of which they are the holder.

17 POLL VOTES

- 17.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 17.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article.

18 PROXIES

- 18.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 18.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that Article.

ADMINISTRATIVE ARRANGEMENTS**19 MEANS OF COMMUNICATION TO BE USED**

- 19.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a business day.

- 19.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

20 INDEMNITY

- 20.1 Subject to Article 20.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of their duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by them in defending any civil or criminal proceedings, in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in Article 20.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

20.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

20.3 In this Article and in Article 21:

- (a) companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and
- (b) a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

21 INSURANCE

21.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

21.2 In this Article a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.