

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF ANGLIAN ARCHIVES LIMITED**  
(Adopted by special resolution passed on [ ] September 2009)

**PART 1**  
**INTERPRETATION AND LIMITATION OF LIABILITY**

**Defined terms**

**1** In these Articles:

1.1 unless the context requires otherwise—

“**Act**” means the Companies Act 2006;

“**appointor**” has the meaning given in article 24.1;

“**Articles**” means the Company’s articles of association for the time being in force;

“**Auditors**” means the auditors of the Company from time to time;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“**Business Day**” means 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;

“**chairman**” has the meaning given in article 13;

“**chairman of the meeting**” has the meaning given in article 49;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Act ), in so far as they apply to the Company;

“**Company**” means Anglian Archives Limited;

“**Conflict**” has the meaning given in article 16.1;

“**director**” means a director of the Company, and includes any person occupying the position of director, by whatever name called;

“**distribution recipient**” has the meaning given in article 41.2;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form;

“**electronic form**” has the meaning given in section 1168 of the Act;

“**eligible director**” means 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);

“**Family Settlement**” means in relation to any individual, any trust or trusts under which no immediate beneficial interest is for the time being vested in any person other than that individual or Privileged Relation(s) of that individual;

“**fully paid**” in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

“**hard copy form**” has the meaning given in section 1168 of the Act;

“**holder**” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“**instrument**” means a document in hard copy form;

“**Model Articles**” means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these Articles;

“**Original Member**” means a person who was a member of the Company on the date of adoption of these Articles;

“**ordinary resolution**” has the meaning given in section 282 of the Act;

“**paid**” means paid or credited as paid;

“**participate**”, in relation to a directors’ meeting, has the meaning given in article 10;

“**Privileged Relation**” means in relation to any individual means the spouse or widow or widower of that individual, any dependent partner of that individual and that individual's children and grandchildren (including step and adopted children and their issue) and step and adopted children of that individual's children, provided always that any such person is of full mental capacity and at least 18 years of age;

“**proxy notice**” has the meaning given in article 55;

“**shareholder**” means a person who is the holder of a share;

“**shares**” means shares in the Company;

“**special resolution**” has the meaning given in section 283 of the Act;

“**subsidiary**” has the meaning given in section 1159 of the Act;

“**transmittee**” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

“**writing**” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

1.2 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.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5 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—

1.5.1 any subordinate legislation from time to time made under it, and

1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

1.6 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.

1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by the Company's Articles. This document is a consolidated form of the Model Articles including the modifications and exclusions applied by the Company's Articles.

## **2 THE COMPANY'S OBJECTS**

The objects of the Company shall be unrestricted and any previous restrictions on the objects of the Company shall no longer apply.

## **3 LIABILITY OF MEMBERS**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

# **PART 2**

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

## **4 DIRECTORS' GENERAL AUTHORITY**

4.1 Subject to articles 4.2 and 4.3, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

4.2 The directors may exercise all of the powers of the Company to borrow or raise money and that either from themselves or from others and with or without security and generally in such manner and on such terms as the directors may deem expedient and in particular, if so arranged, to mortgage or charge the whole or any part of the undertaking, property and rights of the Company, present and future, including uncalled capital and to issue debentures or debenture stock perpetual or redeemable bonds and obligations of the Company at any time and in any form or manner and for any amount the directors may think fit and similarly to secure or guarantee the performance by the Company or any third party (including a subsidiary (if any) of the Company) of any obligation which the Company or that third party may undertake and to cause or permit any such mortgages, charges, debentures, debenture stock, bonds or obligations to be redeemed or transferred as they may think fit. Notwithstanding the foregoing, the directors shall restrict the borrowings of the Company and its subsidiaries (if any) so as to secure that, save with the previous sanction of an ordinary resolution of the members of the Company, no money shall be borrowed if the aggregate amount (including any premium payable on final repayment) outstanding of all monies borrowed by the Company or its subsidiaries (if any) or any of them (exclusive of intra-group borrowings) then exceeds, or would as a result of such borrowing, exceed an amount equal to three times the aggregate of:

4.2.1 the amount for the time being paid up or credited as paid-up on the issued share capital of the Company; and

4.2.2 the total of the capital and revenue reserves of the Company and its subsidiaries (if any) including, without limitation, the share premium

account, capital redemption reserve and any credit balance on the consolidated profit and loss account) but excluding sums set aside for taxation,

4.2.3 all (subject as hereinafter provided) as shown in the then most recent audited consolidated balance sheet of the Company and its subsidiaries (if any), but adjusted as may be appropriate in respect of any variation in the issued and paid-up share capital, the share premium account or capital redemption reserve of the Company and its subsidiaries (if any) since the date of the most recent audited consolidated balance sheet; provided that until a balance sheet of the Company is produced and audited, the nominal amount of the share capital of the Company for the time being issued and paid-up shall be as returned to the Registrar of Companies from time to time.

4.3 No debt incurred or security given in respect of monies borrowed or taken into account as monies borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time and when the debt was incurred or security given, that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company or any of its subsidiaries (if any) shall be concerned to see or enquire whether such limit is observed.

## **5 SHAREHOLDERS' RESERVE POWER**

5.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

5.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **6 DIRECTORS MAY DELEGATE**

6.1 The directors may delegate any of the powers which are conferred on them under the Articles—

6.1.1 to such person or committee;

6.1.2 by such means (including by power of attorney);

6.1.3 to such an extent;

6.1.4 in relation to such matters or territories; and

6.1.5 on such terms and conditions,

as they think fit.

6.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

6.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **7 COMMITTEES**

- 7.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.
- 7.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

## **8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 8.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 9.
- 8.2 If
  - 8.2.1 the Company only has one director for the time being, and
  - 8.2.2 no provision of the Articles requires it to have more than one director,the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

## **9 UNANIMOUS DECISIONS**

- 9.1 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.
- 9.2 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.
- 9.3 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.

## **10 CALLING A DIRECTORS' MEETING**

- 10.1 Any director may call a directors' meeting by giving not less than 2 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the Company secretary (if any) to give such notice.
- 10.2 Notice of any directors' meeting must indicate—
  - 10.2.1 its proposed date and time;
  - 10.2.2 where it is to take place; and

- 10.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 10.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 10.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **11 PARTICIPATION IN DIRECTORS' MEETINGS**

- 11.1 Directors participate in a directors' meeting, or part of a directors' meeting, when—
  - 11.1.1 the meeting has been called and takes place in accordance with the Articles, and
  - 11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 11.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **12 QUORUM FOR DIRECTORS' MEETINGS**

- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 12.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 16 to authorise a director's conflict, if there is only one director in office besides the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 12.4 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision—
  - 12.4.1 to appoint further directors, or
  - 12.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## **13 CHAIRING OF DIRECTORS' MEETINGS**

- 13.1 The directors may appoint a director to chair their meetings.

- 13.2 The person so appointed for the time being is known as the chairman.
- 13.3 The directors may terminate the chairman's appointment at any time.
- 13.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### **14 CASTING VOTE**

- 14.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.
- 14.2 Article 14.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting).

#### **15 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 15.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his 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—
  - 15.1.1 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;
  - 15.1.2 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 he is interested;
  - 15.1.3 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 he is interested;
  - 15.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
  - 15.1.5 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
  - 15.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (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 his duty under section 176 of the Act.

- 15.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 15.3 Subject to article 15.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 15.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## 16 DIRECTORS' CONFLICTS OF INTEREST

- 16.1 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 breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**").
- 16.2 Any authorisation under this article will be effective only if—
- 16.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors 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;
  - 16.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
  - 16.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 16.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently)—
- 16.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - 16.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and
  - 16.3.3 be terminated or varied by the directors at any time.
- 16.4 This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.
- 16.5 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to—

- 16.5.1 disclose such information to the directors or to any director or other officer or employee of the Company, or
  - 16.5.2 use or apply any such information in performing his duties as a director,
- where to do so would amount to a breach of that confidence.
- 16.6 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director—
- 16.6.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
  - 16.6.2 is not given any documents or other information relating to the Conflict, and
  - 16.6.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.
- 16.7 Where the directors authorise a Conflict—
- 16.7.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and
  - 16.7.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.
- 16.8 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 he derives 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.

## **17 RECORDS OF DECISIONS TO BE KEPT**

- 17.1 The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
- 17.2 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.

## **18 DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to any other provision of the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

## **APPOINTMENT OF DIRECTORS**

### **19 NUMBER OF DIRECTORS**

- 19.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

### **20 METHODS OF APPOINTING DIRECTORS**

- 20.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
- 20.1.1 by ordinary resolution, or
  - 20.1.2 by a decision of the directors.
- 20.2 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) 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.
- 20.3 For the purposes of article 20.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

### **21 TERMINATION OF DIRECTOR'S APPOINTMENT**

- 21.1 A person ceases to be a director as soon as—
- 21.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
  - 21.1.2 a bankruptcy order is made against that person;
  - 21.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 21.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - 21.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
  - 21.1.6 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

## **22 DIRECTORS' REMUNERATION**

22.1 The remuneration by way of fees of any director (not being remuneration payable to an executive director in such capacity) shall not exceed £20,000 per annum, or such greater sum as may from time to time be determined by ordinary resolution of the members of the Company. Subject to the foregoing maximum, each director may be paid a fee at such rate as may from time to time be determined by the directors, which fee shall be deemed to accrue from day to day.

22.2 The directors may procure:

22.2.1 the establishment and maintenance of, participation in or contribution to any insurance, pension or superannuation fund (whether by contributory or otherwise) or other scheme for the benefit of and procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons (including directors or former directors of the Company) who are or were at any time in the employment or service of the Company or its holding Company (if any) or any Company which is a subsidiary of, or associated with, the Company or of any of the predecessors of the Company or its holding, subsidiary or associated Company and to the wives, widows, relatives and dependants (including such persons as the directors shall deem to be dependants) of such persons;

22.2.2 the establishment and subsidy of or subscription to and support of any institutions, associations, societies, clubs, funds, or trusts calculated to be for the benefit of or otherwise to advance the interests and well-being of the Company or any such other Company as aforesaid or aof any such persons as aforesaid and the payment for or towards the insurance of any such person as aforesaid and the subscription or guarantee of money for charitable or benevolent objects or for any exhibition or for any public general or useful object;

22.2.3 any of the matters aforesaid to be done by the Company either alone or in conjunction with any such other Company as aforesaid.

## **23 DIRECTORS' EXPENSES**

23.1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at—

23.1.1 meetings of directors or committees of directors,

23.1.2 general meetings, or

23.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## **ALTERNATE DIRECTORS**

## **24 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 24.1 Any director (the “appointor”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to—
- 24.1.1 exercise that director’s powers, and
  - 24.1.2 carry out that director’s responsibilities,
- in relation to the taking of decisions by the directors in the absence of the alternate’s appointor.
- 24.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- 24.3 The notice must—
- 24.3.1 identify the proposed alternate, and
  - 24.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

## **25 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 25.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate’s appointor.
- 25.2 Except as the Articles specify otherwise, alternate directors—
- 25.2.1 are deemed for all purposes to be directors;
  - 25.2.2 are liable for their own acts and omissions;
  - 25.2.3 are subject to the same restrictions as their appointors; and
  - 25.2.4 are not deemed to be agents of or for their appointors
- 25.3 and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- 25.4 A person who is an alternate director but not a director—
- 25.4.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person’s appointor is not participating);
  - 25.4.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
  - 25.4.3 shall not be counted as more than one director for the purposes of articles 25.2.1 and 25.2.2.

25.5 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

25.6 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

## **26 TERMINATION OF ALTERNATE DIRECTORSHIP**

26.1 An alternate director's appointment as an alternate terminates—

26.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

26.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

26.1.3 on the death of the alternate's appointor; or

26.1.4 when the alternate's appointor's appointment as a director terminates.

## **27 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.

# **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

## **28 ALL SHARES TO BE FULLY PAID UP**

28.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

28.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## **29 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

29.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

29.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

### **30 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

The directors shall be entitled in their sole discretion to recognise the holding of any share upon trust but, except as required by law, the Company shall not be bound to recognise any person as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

### **31 SHARE CERTIFICATES**

31.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

31.2 Every certificate must specify—

31.2.1 in respect of how many shares, of what class, it is issued;

31.2.2 the nominal value of those shares;

31.2.3 that the shares are fully paid; and

31.2.4 any distinguishing numbers assigned to them.

31.3 No certificate may be issued in respect of shares of more than one class.

31.4 If more than one person holds a share, only one certificate may be issued in respect of it.

31.5 Certificates must—

31.5.1 have affixed to them the Company's common seal, or

31.5.2 be otherwise executed in accordance with the Companies Acts.

### **32 REPLACEMENT SHARE CERTIFICATES**

32.1 If a certificate issued in respect of a shareholder's shares is—

32.1.1 damaged or defaced, or

32.1.2 said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

32.2 A shareholder exercising the right to be issued with such a replacement certificate—

32.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

32.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

32.2.3 must comply with such conditions as to evidence indemnity and the payment of a reasonable fee as the directors decide.

### **33 SHARE TRANSFERS**

33.1 The directors shall register any transfer of a share which complies with or is permitted under or is made pursuant to and in accordance with the provisions of articles 33, 34, 35 or 36 and the directors shall refuse to register any transfer of a share unless it complies with or is permitted under or is made pursuant to and in accordance with the provisions of articles 33, 34, 35 or 36.

33.2 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by the transferor.

33.3 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

33.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

33.5 If the directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal, together with the reasons for such refusal.

33.6 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

### **34 SHARE TRANSFER PROCEDURE**

34.1 Notwithstanding any other provision in the Articles save for and subject always to the provisions of article 33.1:

34.1.1 any member who is an Original Member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation of his or a Family Settlement relating to him without restriction as to price or otherwise and such transfer shall be registered by the directors;

34.1.2 where any shares have been transferred in accordance with article 34.1.1, any person (including any subsequent transferee) holding

those shares may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any of those shares to a Privileged Relation of or a Family Settlement relating to the Original Member who originally transferred those shares in accordance with article 34.1.1 without restriction as to price or otherwise and such transfer shall be registered by the directors.

34.2 Save as otherwise provided in the Articles every member who desires to transfer any shares (**the "Vendor"**) shall give to the Company notice in writing of such desire (**a "Transfer Notice"**). Transfer Notices shall constitute the Company the Vendor's agent for the sale of the shares specified in such notice (**the "Sale Shares"**) in one or more lots at the discretion of the directors at the Sale Price. A Transfer Notice cannot be withdrawn or revoked without the prior written approval of the directors.

34.3 The Sale Price for each Sale Share shall be the Fair Value.

34.4 For the purposes of article 34.3: **"Fair Value"** means the price for each Sale Share agreed by the Vendor and the directors or if they are unable to agree a price within 28 days of the Transfer Notice being given the price for each Sale Share which the Auditors (or, in the event of the Auditors being unwilling or unable to so certify or there being no auditors, an independent firm of chartered accountants agreed upon by the Vendor and the directors or, in the absence of agreement, nominated for such purpose by the President of the Institute of Chartered Accountants of England and Wales (or his equivalent from time to time) on the request of the Vendor or the directors) shall certify to be in their opinion a fair value thereof as at the date of the Transfer Notice. In arriving at their opinion the Auditors (or, as the case may be, independent firm of chartered accountants) will value the shares on a going concern basis as between a willing seller and a willing buyer and on the assumption that the Sale Shares are capable of transfer without restriction and in determining the Fair Value of each Sale Share the Auditors (or, as the case may be, independent firm of chartered accountants) shall:

34.4.1 determine the sum which a willing purchaser would offer to a willing seller for the whole of the issued Ordinary Share capital of the Company; and then

34.4.2 divide the resultant figure by the total number of issued shares in the capital of the Company;

34.4.3 so that there shall be no addition or subtraction of any premium or discount arising in relation to the size of the holding the subject of the relevant transfer, or in relation to any restrictions on the transferability of the Sale Shares arising out of the provisions of the Articles and provided further that the Auditors (or, as the case may be, the independent firm of chartered accountants) shall take into account in

determining the appropriate figure for 34.4.1 above any bona fide offer from any third party to purchase any holdings the subject of a Transfer Notice.

- 34.5 The Auditors (or, as the case may be, the independent firm of chartered accountants) shall act as experts and not as arbitrators, their decision shall be final and binding and their costs shall be paid by the Company (unless in the opinion of the Auditors (or, as the case may be, the independent firm of chartered accountants) it is fair and equitable that they be paid by the Vendor and/or the purchaser(s) in such proportions as the Auditors (or, as the case may be, the independent firm of chartered accountants) specify).
- 34.6 A Transfer Notice may contain a condition (a "**Total Transfer Condition**") that unless all the shares the subject of the Transfer Notice are sold by the Company pursuant to this article 34 none shall be sold. Any such provision shall be binding on the Company.
- 34.7 Forthwith following determination of the Sale Price, the Sale Shares shall be offered for sale by the Company as agent for the Vendor to the holders of all that class of share (other than the Vendor) pro rata as nearly as may be to the respective numbers of that class of share held by such holders on the date of service of the relevant Transfer Notice. Such offer shall be made by notice in writing specifying the number of Sale Shares allocated to each holder ("**Allocation**"), the Sale Price and stating the time in which the offer, if not accepted in writing, will lapse and determine, such time limit to be not less than fourteen days but not exceeding 28 days from the date of service of the offer (**the "Offer Period"**) and also specifying that each offeree may accept none, some or all of his Allocation and that if he accepts all of his Allocation he may also apply in writing before the expiry of the Offer Period for any number of the Sale Shares allocated to other offerees but not accepted by them ("**Unaccepted Shares**"). Such offer shall specify that in the event of competition for them, any Unaccepted Shares shall be allocated among those offerees applying for them in proportion (as nearly as may be without involving fractions or increasing the number to be sold to any acceptor beyond that applied for by him) to the number of shares of that class held by such offerees.
- 34.8 If within the Offer Period offeree(s) agree in writing to purchase all (if the Transfer Notice contains a Total Transfer Condition) or some (if the Transfer Notice does not contain a Total Transfer Condition) of the Sale Shares the Company shall forthwith following expiry of the Offer Period give notice in writing to the Vendor and each accepting offeree (each such accepting offeree being a "**Purchaser**") notifying such acceptances and specifying the number of Sale Shares to be purchased by each Purchaser and specifying the time and place (being not earlier than 28 days after the final day of the Offer Period) at which the sale and purchase of the Sale Shares is to be completed

("Completion"). If the total number of Sale Shares applied for is less than the total number of Sale Shares, then in the case of a Transfer Notice which does not contain a Total Transfer Condition, each Purchaser shall be allocated the number of Sale Shares he applied for. If the total number of Sale Shares applied for is equal to the total number of Sale Shares, each Purchaser shall be allocated the number of Sale Shares he applied for. If the total number of Sale Shares applied for is greater than the number of Sale Shares, each Purchaser shall be allocated his Allocation (or such lesser number of Sale Shares for which he has applied) and applications for Unaccepted Shares shall be allocated in accordance with the applications for them or, in the event of competition for them, among those Purchasers applying for Unaccepted Shares in such proportions as equal (as nearly as may be without involving fractions or increasing the number to be sold to any acceptor beyond that applied for by him) the proportions of all shares of the same class as the Sale Shares held by such Purchasers. At Completion each Purchaser shall be bound to purchase and to pay the Sale Price for each Sale Share allocated to him and the Vendor shall be bound upon payment of the Sale Price for the total number of Sale Shares to be sold to transfer the Sale Shares to the respective Purchasers with full title guarantee. If the Vendor shall fail or refuse to so transfer any Sale Share to be so sold, the Company if so required by the relevant Purchaser(s) shall receive the purchase money on trust for the Vendor, such receipt by the Company being a good discharge to the Purchaser (who shall not be required to see to the application of such purchase money) and the directors may authorise some person to execute and deliver the transfer on behalf of the Vendor and enter the names of the Purchasers in the register of members as the holders of such of the Sale Shares as shall have been transferred to them, following which the validity of such entry shall not be questioned by any person.

- 34.9 If the Company does not find purchasers for all of the Sale Shares under the terms of this article 34 the Vendor shall at any time within six months after the final offer by the Company to its members be free to sell and transfer such of the Sale Shares as have not been so sold to any person at a price which is no less than the Sale Price, provided that the Sale Shares are transferred pursuant to a bona fide sale for the consideration stated in the transfer(s) without any deduction, rebate or allowance of any kind to the purchaser. However if the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the Sale Shares and not part only.
- 34.10 Any purported transfer of shares otherwise than in accordance with the foregoing provisions of these Articles or pursuant to article 35 or article 36 shall be void and have no effect.

## 35 MANDATORY SALES ("DRAG ALONG")

- 35.1 If the holder or holders (as the case may be) of 50% or more in nominal value of the shares in the capital of the Company in issue for the time being (together the "**Selling Shareholders**") wish to sell or transfer all their interest in their shares to an independent person or persons not already a member of the Company and none of whom is a Privileged Relation of any Selling Shareholder or the settler or a trustee or beneficiary of a Family Settlement of any selling Shareholder (**the "Third Party Purchaser"**) by way of a bona fide arms length transaction, the Selling Shareholders shall have the option (**the "Drag Along Option"**) to require all the other holders of shares (**the "Called Shareholders"**) to sell with full title guarantee and transfer all their shares to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this article 35.
- 35.2 The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (**a "Drag Along Notice"**) to the Called Shareholders at any time before the transfer of shares of the Selling Shareholders. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their shares (**the "Called Shares"**) pursuant to this article 35, the person to whom they are to be transferred, the price at which the Called Shares are to be transferred (calculated in accordance with article 34.4) and the proposed date of transfer.
- 35.3 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there is not a sale of all their shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice.
- 35.4 The Called Shareholders shall be obliged to sell each of the Called Shares at the "**Specified Price**" which shall be the consideration (in cash or otherwise) per share equal to the highest consideration offered or paid or payable by the Third Party Purchaser or his or their nominees for any other shares plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares, such Specified Price to be paid to the Called Shareholders in respect of their respective Called Shares at the same time and in the same manner (or, to the extent it cannot reasonably be paid in the same manner, in cash) as it is paid to the Selling Shareholders. Any dispute regarding the Specified Price shall be referred to the Auditors (or, in the event of the Auditors being unwilling or unable to so act or there being no auditors, an independent firm of chartered accountants agreed upon by the Called Shareholders and the Third Party Purchaser or in the absence of agreement nominated for such purpose by the President of the

Institute of Chartered Accountants of England and Wales (or his equivalent from time to time) on the request of a Called Shareholder or the Third Party Purchaser) who shall act as experts and not arbitrators, whose decision shall be final and binding and whose costs shall be paid by the Called Shareholders and/or the Selling Shareholders, in such proportions as the Auditors (or, as the case may be, independent firm of chartered accountants) specify.

- 35.5 Completion of the sale of the Called Shares shall take place on the same date as the date of completion of the sale of the Selling Shareholders' shares unless:
- 35.5.1 all of the Called Shareholders and Selling Shareholders agree otherwise; or
  - 35.5.2 that date is less than five days after the Drag Along Notice, in which case it shall be deferred until the fifth day after the Drag Along Notice.
- 35.6 The rights of pre-emption set out in these Articles shall not arise on any transfer of shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.
- 35.7 If any Called Shareholder shall fail or refuse on completion of the sale of Called Shares to transfer to the Third Party Purchaser (or as he may direct) all of the Called Shares held by him then, subject to all the shares held by the Selling Shareholders being sold to the Third Party Purchaser, the directors shall be irrevocably entitled to and shall authorise and instruct such person as they shall think fit to execute necessary transfer(s) on his behalf and against receipt by the Company (on trust for such member) of the purchase moneys payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and register the Third Party Purchaser (or as he may direct) as the holder of such shares and, after the Third Party Purchaser (or his nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person.
- 35.8 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article 35.

## 36 LIMITATION ON TRANSFER OF CONTROL ("TAG ALONG")

- 36.1 Notwithstanding any of the other provisions of these Articles, where any shareholder or shareholders who, either alone or together, holds or hold at least 50 per cent in nominal value of the issued shares of the Company ("**Proposed Seller**") wish to sell all of (as opposed to part of) their shares to a proposed third party buyer ("**Proposed Purchaser**") whether in one or in a series of related transactions, the Proposed Seller shall give written notice ("**Proposed Sale Notice**") to each of the other shareholders, (the "**Remaining**

**Shareholders**") of the intended sale or transfer to the Proposed Purchaser at least twenty one days before the date of the intended sale or transfer (**the "Sale Date"**). The Proposed Sale Notice shall set out the identity of the Proposed Purchaser, the purchase price and the other terms and conditions of the sale or transfer and the number of shares proposed to be sold by the Proposed Seller to the Proposed Purchaser.

- 36.2 The Proposed Sale Notice shall be accompanied by a binding irrevocable written offer ("**Proposed Sale Offer**") from the Proposed Purchaser to purchase each Remaining Shareholder's shares on terms (including as to price) no less favourable to the Remaining Shareholders than those set out in the Proposed Sale Notice, such offer to be open for written acceptance by each Remaining Shareholder for fourteen days commencing on the date of service of the Proposed Sale Notice.
- 36.3 Each Remaining Shareholder shall be entitled by written notice to the Proposed Seller to sell all (but not some only) of his shares to the Proposed Purchaser on the terms and conditions set out in the Proposed Sale Offer.
- 36.4 Completion of the sale of shares ("**Acceptance Shares**") in respect of which Remaining Shareholders shall have accepted the Proposed Sale Offer shall take place simultaneously with the sale or transfer of the Proposed Seller's shares the subject of the Proposed Sale Notice on the Sale Date.
- 36.5 If any Remaining Shareholder shall fail or refuse on the Sale Date to transfer his Acceptance Shares to the Proposed Purchaser, then subject to all of the Proposed Seller's shares the subject of the Proposed Sale Notice being transferred to the Proposed Purchaser on the terms and conditions set out in the Proposed Sale Notice, the directors shall be irrevocably entitled to and shall authorise and instruct such person as they shall think fit to execute necessary transfer(s) on that Remaining Shareholder's behalf and against receipt by the Company (on trust for such Remaining Shareholder) of the purchase moneys payable for such Acceptance Shares deliver such transfer(s) to the Proposed Purchaser and register the Proposed Purchaser as the holder of such Acceptance Shares and, after the Proposed Purchaser has been so registered, the validity of such proceedings shall not be questioned.
- 36.6 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article 36.

## **37 TRANSMISSION OF SHARES**

- 37.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

- 37.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require—
- 37.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - 37.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 37.3 But, subject to article 20, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

### **38 EXERCISE OF TRANSMITTEES' RIGHTS**

- 38.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 38.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 38.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

### **39 TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name, or the name of any person nominated under article 38.2, has been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **40 PROCEDURE FOR DECLARING DIVIDENDS**

- 40.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 40.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 40.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 40.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

- 40.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 40.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 40.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

#### **41 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 41.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—
  - 41.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
  - 41.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
  - 41.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
  - 41.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 41.2 In the Articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—
  - 41.2.1 the holder of the share; or
  - 41.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 41.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### **42 NO INTEREST ON DISTRIBUTIONS**

- 42.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—
  - 42.1.1 the terms on which the share was issued, or
  - 42.1.2 the provisions of another agreement between the holder of that share and the Company.

#### **43 UNCLAIMED DISTRIBUTIONS**

- 43.1 All dividends or other sums which are—

- 43.1.1 payable in respect of shares, and
- 43.1.2 unclaimed after having been declared or become payable,  
may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.
- 43.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 43.3 If—
  - 43.3.1 three years have passed from the date on which a dividend or other sum became due for payment, and
  - 43.3.2 the distribution recipient has not claimed it,  
the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

#### **44 NON-CASH DISTRIBUTIONS**

- 44.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- 44.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—
  - 44.2.1 fixing the value of any assets;
  - 44.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 44.2.3 vesting any assets in trustees.

#### **45 WAIVER OF DISTRIBUTIONS**

- 45.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if—
  - 45.1.1 the share has more than one holder, or
  - 45.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

## CAPITALISATION OF PROFITS

### 46 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 46.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution—
- 46.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
  - 46.1.2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 46.2 Capitalised sums must be applied—
- 46.2.1 on behalf of the persons entitled, and
  - 46.2.2 in the same proportions as a dividend would have been distributed to them.
- 46.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 46.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 46.5 Subject to the Articles the directors may—
- 46.5.1 apply capitalised sums in accordance with articles 46.3 and 46.4 partly in one way and partly in another;
  - 46.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - 46.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

**PART 4**  
**DECISION-MAKING BY SHAREHOLDERS**  
**ORGANISATION OF GENERAL MEETINGS**

**47 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 47.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 47.2 A person is able to exercise the right to vote at a general meeting when—
- 47.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 47.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 47.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 47.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 47.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

**48 QUORUM FOR GENERAL MEETINGS**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

**49 CHAIRING GENERAL MEETINGS**

- 49.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 49.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—
- 49.2.1 the directors present, or
  - 49.2.2 (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

49.3 The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

## **50 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

50.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

50.2 The chairman of the meeting may permit other persons who are not—

50.2.1 shareholders of the Company, or

50.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

## **51 ADJOURNMENT**

51.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

51.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

51.2.1 the meeting consents to an adjournment, or

51.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

51.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

51.4 When adjourning a general meeting, the chairman of the meeting must—

51.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

51.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

51.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

51.5.1 to the same persons to whom notice of the Company’s general meetings is required to be given, and

51.5.2 containing the same information which such notice is required to contain.

- 51.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **52 VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

### **53 ERRORS AND DISPUTES**

53.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

53.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### **54 POLL VOTES**

54.1 A poll on a resolution may be demanded—

54.1.1 in advance of the general meeting where it is to be put to the vote, or

54.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

54.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

54.3 A demand for a poll may be withdrawn if—

54.3.1 the poll has not yet been taken, and

54.3.2 the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

54.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### **55 CONTENT OF PROXY NOTICES**

55.1 Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—

55.1.1 states the name and address of the shareholder appointing the proxy;

55.1.2 identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

55.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

55.1.4 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 the general meeting (or adjourned meeting) to which they relate

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.

55.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

55.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

55.4 Unless a proxy notice indicates otherwise, it must be treated as—

55.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

55.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **56 DELIVERY OF PROXY NOTICES**

56.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

56.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

56.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

56.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **57 AMENDMENTS TO RESOLUTIONS**

57.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

57.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

- 57.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 57.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
  - 57.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 57.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 57.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## PART 5

### ADMINISTRATIVE ARRANGEMENTS

#### **58 MEANS OF COMMUNICATION TO BE USED**

- 58.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 58.2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient—
  - 58.2.1 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);
  - 58.2.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 58.2.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 58.2.4 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 working day.

- 58.3 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.
- 58.4 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 58.5 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

## **59 No RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

## **60 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **61 INDEMNITY**

61.1 Subject to article 61.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

61.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

61.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 58(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

61.2 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.

61.3 In this article a “relevant officer” means any director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## **62 INSURANCE**

62.1 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.

62.2 In this article—

62.2.1 a “relevant officer” means any director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor); and

62.2.2 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, or any pension fund or employees’ share scheme of the Company.