

COMPANY NUMBER 00415641

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

A G JOINER & CO LIMITED

(the Company)

(Adopted on 23 SEPTEMBER 2015)

TUESDAY



INTERPRETATION

1 INTERPRETATION

1 1 In these articles

1 1 1 the **Act** means the Companies Act 2006,

1 1 2 **Descendant** means the child or grandchild (including any adopted child and its issue) of the respective member,

1 1 3 **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),

1 1 4 **Family Trust** means a settlement or trust under which no-one is entitled to a beneficial interest except a shareholder or his or her issue (including issue not yet born) or all or any of them, and

1 1 5 the **Model Articles** means the relevant model articles (within the meaning of section 20 of the Act)

1 2 Words or expressions defined in the Model Articles and words or expressions defined in the Companies Acts shall bear the same meaning in these articles unless the context otherwise requires

1 3 Any reference to a statutory provision shall be deemed to include a reference to any re-enactment or modification thereof for the time being in force

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 Headings shall not affect the interpretation of these articles

2 ADOPTION OF THE MODEL ARTICLES

- 2 1 The Model Articles shall, except in so far as they are excluded or modified by these articles, apply to the Company and together with these articles shall constitute the articles of the Company.

DIRECTORS' POWERS AND RESPONSIBILITIES

3 COMPANY NAME

- 3 1 Pursuant to section 77 of the Act, the directors may change the Company's name from time to time but must comply with the provisions of section 79 of the Act

4 DIRECTORS

Number of directors

- 4.1 Unless otherwise determined by ordinary resolution, the number of directors shall not exceed five but shall not be less than two

Unanimous decisions

- 4 2 Article 8(3) of the Model Articles shall not apply to the Company

Quorum for directors' meetings

- 4 3 Articles 11(2) and (3) of the Model Articles shall not apply to the Company

- 4 4 Subject to article 4 5, the quorum for the transaction of business at a meeting of directors is any two eligible directors

- 4 5 For the purposes of any meeting (or part of a meeting) held pursuant to article 5 2 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

- 4 6 If and for so long as the Company has a sole director he may exercise all the powers vested in the directors by these articles

Termination of director's appointment

- 4 7 Without prejudice to article 18 of the Model Articles, any director may be removed from office (no matter how he was appointed) by notice in writing delivered to the office or tendered at a meeting of the directors and signed by any member or members holding shares entitling such member or members to exercise a majority of the votes at any general meeting of the Company

5 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 5 1 Articles 14(1) to 14(4) inclusive of the Model Articles shall not apply to the Company

- 5 2 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

- 5 2 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,
- 5 2 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,
- 5 2 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,
- 5 2 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;
- 5 2 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
- 5 2 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

6 DIRECTORS INTERESTS

- 6 1 Subject to section 175(6) of the Act, the directors shall have the power to authorise, on such terms and subject to such conditions as they may determine, any matter proposed to them which otherwise might give rise to a situation in which a director would have a direct or indirect interest and/or duty which conflicts, or may conflict, with the interests of the Company (including in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it)

SHARES AND DISTRIBUTIONS

SHARES

7 FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

- 7 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

- 7 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity 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 equity 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
- 7 2 1 shall be in writing, shall be open for acceptance for a period of 21 days (or such longer or shorter period as the directors may determine) from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and
- 7 2 2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe
- 7 3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 7 2 shall be used for satisfying any requests for Excess Securities made pursuant to article 7 2 2 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 7 2 (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, unless otherwise agreed by special resolution, be offered to any Descendant of any shareholder (being a person who was a shareholder of the Company immediately before the offer was made to shareholders in accordance with article 7 2) as the directors may determine, at the same price and on the same terms as the offer to the shareholders
- 7 4 Subject to articles 7 2 and 7 3 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 a Descendant of any shareholder at such times and generally on such terms and conditions as they think proper

TRANSFER OF SHARES

8 GENERAL

- 8 1 For the purposes of these articles, any reference to a transfer of shares shall be deemed to include a transfer of a legal and/or beneficial interest in the shares or the grant of an option to acquire the legal and/or beneficial interest in the shares in each case whether made or purported to be made by a shareholder or any other person entitled to an interest in the shares
- 8 2 No shareholder (or other person entitled to transfer the shares registered in the name of a shareholder) may transfer, create, grant or part with any shares or any interest in any shares in the Company unless and until the provisions of articles 9 to 15 inclusive are complied with

9 REGISTRATION OF TRANSFERS

9 1 The transferor of a share in the capital of the Company shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof

9 2 Subject to and in accordance with the provision of section 771 of the Companies Act 2006

9 2 1 the directors shall refuse to register a proposed transfer of any share in the capital of the Company or any transmission of shares in the capital of the Company not made in accordance with Articles 10, 11, 12, 14, or 15 unless the holders of not less than 75% of the voting shares in the capital of the Company consent to such proposed transfer, and

9 2 2 the directors may, at their discretion, refuse to register a transfer of a share in the capital of the Company on which the Company has a lien

10 PRE-EMPTION RIGHTS

Transfer notices

10 1 Subject to Article 11 (*Mandatory Transfers*) and Article 12 (*Permitted Transfers*), any shareholder who wishes to transfer any shares or any interest in shares in the capital of the Company, or grant any rights or options over or in respect of any shares (**Seller**) shall give to the Company notice thereof in writing (**Transfer Notice**) and such notice shall specify

10 1 1 the number and class of shares the Seller wishes to transfer (**Sale Shares**), which may be all or part only of the shares then held by the Seller; and

10 1 2 whether or not the Seller has received an offer from a third party for the Sale Shares and if so the identity, and details of the business activities, of the third party and the price (including all relevant terms) offered for the Sale Shares,

and shall be accompanied by the share certificates for the Sale Shares or a suitable indemnity in lieu. Except as otherwise expressly provided in these articles a Transfer Notice shall be irrevocable without the consent of all the other shareholders (excluding the Seller) as at the date of the Transfer Notice, who may impose such conditions to any consent as they think fit

Sale price

10 2 A Transfer Notice shall constitute the Company as the Seller's agent for the sale of the Sale Shares at a price (**Sale Price**) specified in the Transfer Notice relating to the Sale Shares or, if no such price is specified, the price which the auditors or, if the Seller so elects, an independent valuer appointed by the directors for the purpose (acting as experts and not as arbitrators) shall certify to be in their opinion the fair value thereof as at the date of the Transfer Notice

10 3 The auditors' or valuer's certificate (as the case may be) shall be final and binding for all purposes. The cost of obtaining an auditors' certificate shall be borne by the Company and the cost of obtaining a valuer's certificate shall be borne by the Seller.

- 10 4 If the auditors or valuers are asked to certify the Sale Price pursuant to Article 10 2 the Company shall within seven days of the issue of the certificate furnish a copy of it to the Seller and the Seller shall be entitled, by notice in writing given to the Company within 28 days of the same being served on him to withdraw the Transfer Notice

Preliminary offer to the Company

- 10 5 Following the service or deemed service of a Transfer Notice, before the provisions of Articles 10 7 to 10 13 shall apply, the directors may determine, with the prior written consent of holders of not less than 75% of the voting shares in the capital of the Company that the Sale Shares which are the subject of the Transfer Notice shall be purchased by the Company at the Sale Price (subject to the Company being legally able to do so in accordance with the Companies Act 2006)

- 10 6 Such determination shall be made within 28 days of the date of the Transfer Notice and shall be communicated in writing to the Seller If no such determination is made within this period, the Sale Shares shall be offered in accordance with the provisions of Articles 10 7 to 10 13

Offer and allocation of the Sale Shares

- 10 7 Subject to Article 10 5, within 28 days of the date of the Sale Price being fixed in accordance with Article 10 2, and provided that the Seller does not withdraw the Transfer Notice, the Directors shall offer the Sale Shares to the shareholders other than the Seller by notice in writing (the **Offer**) in proportion (or as nearly as may be) to the number of shares held by them respectively, and the number of shares so offered shall be the **Transfer Entitlement**

- 10 8 The Offer shall be open for the period specified by the directors (**Offer Period**), being not less than 7 nor more than 28 days from the date upon which the relevant Offer is made, during which time each shareholder must state in writing to the Company the number of Sale Shares (if any) he would like to buy, and so that any shareholder who fails to do so shall be deemed to have rejected the Offer made to him

- 10 9 If on the expiry of the Offer Period the directors shall not have received valid acceptances in respect of all the Sale Shares in accordance with the allocations set out in Article 10 7, the directors shall allocate the Sale Shares amongst the shareholders as follows

10 9 1 to each shareholder who has agreed to purchase shares, his Transfer Entitlement or such lesser number of Sale Shares for which he may have applied,

10 9 2 if any shareholder has applied for less than his Transfer Entitlement, the excess shall be allocated to those shareholders who have applied for more than their Transfer Entitlement in proportion to the number of shares then held by each of them respectively (but without allocating to any shareholder an aggregate number of Sale Shares greater than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this Article 10 9 2, disregarding any shareholder whose application has already been satisfied in full.

- 10 10 If any of the Sale Shares shall not be capable of being offered under this Article 10 without involving fractions, such Sale Shares shall be allocated amongst the shareholders in such proportions as the directors shall think fit

Completing the sale of the Sale Shares

10 11 Within 10 days of the conclusion of the Offer Period, the directors shall notify the Seller of the number of Sale Shares taken up in the Offer and shall notify each offeree who has accepted the Offer (**Buyer**) in writing that a contract has been concluded for the sale and purchase of the Sale Shares allocated to the Buyer. The Seller

10 11 1 and the respective Buyers shall be bound to give effect to such contracts and shall, within 21 days of notice being given in accordance with this Article 10 11, execute proper transfers of the Sale Shares and effect payment of the Sale Price for the respective Sale Shares,

10 11 2 shall sell the Sale Shares to the Buyers with full title guarantee, free from all charges, liens and encumbrances and with the benefit of all rights attaching to them (including all dividends and distributions) as at the date of the relevant contract

10 12 If the Seller shall fail to comply with its obligation under Article 10 11, the Company

10 12 1 may receive the purchase price and the directors may appoint a person to execute instruments of transfer of the Sale Shares in favour of the Buyers who have accepted the Offer,

10 12 2 shall, subject to the relevant transfer being resubmitted by each such Buyer duly stamped, cause the names of those Buyers to be entered in the register of members of the Company as the holders of the Sale Shares, and

10 12 3 shall hold the purchase price in trust for the Seller

The receipt of the Company shall be a good discharge to those Buyers and, after their names have been entered in the register of members of the Company under this Article, the validity of the transactions shall not be questioned by any person

Partial acceptance of Offer

10 13 If any Sale Shares remain unallocated following the expiry of the Offer Period (the **Unallocated Shares**), the Seller may, at any time within 28 days of the expiry of the Offer Period, transfer any or all of the Unallocated Shares to any person at a price at least equal to the Sale Price

11 MANDATORY TRANSFERS

11 1 If any person (also a **Seller**)

11 1 1 transfers or purports to transfer their shares to any person who is not a Permitted Transferee under article 12 1,

11 1 2 being an individual,

(a) is made bankrupt or proposes, or enters into, any arrangement with his creditors, or

- (b) 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, or

11 1 3 being a body corporate

- (a) enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent reconstruction) or has a receiver, manager, administrative receiver or administrator appointed over all or any part of its assets or undertaking, or
- (b) ceases to be controlled (as defined by section 1124 of the Corporation Tax Act 2010) by the person(s) who controlled such shareholder on the date which it became a shareholder of the Company or on the date of adoption of these articles (whichever shall be the later),

(each a **Mandatory Transfer Event**),

then (unless the directors agree otherwise within 14 days following the occurrence of a Mandatory Transfer Event) a Transfer Notice shall be deemed to have been given by that shareholder in respect of all his shares (together **Relevant Shares**)

Existing Transfer Notices

- 11 2 Once a Transfer Notice is deemed to have been given by virtue of Article 11 1, all prior outstanding Transfer Notices in respect of the Relevant Shares (or any of them) shall be immediately cancelled and no further Transfer Notices may be served in respect of any of the Relevant Shares until the Company has notified the Seller in accordance with Article 10 11 that not all of the Sale Shares have been sold in accordance with the provisions of Article 8

Sale Price

- 11 3 If a shareholder gives or is deemed to give a Transfer Notice at any time, the Sale Price at which the Relevant Shares shall be offered will be their fair value, which shall be agreed or determined in accordance with Article 10 2

12 PERMITTED TRANSFERS

- 12 1 The restrictions on transfers contained in Article 9 (Registration of Transfers) and Article 10 (*Transfers of Shares*) shall not apply to

12 1 1 any transfer of shares by a shareholder to a Descendant,

12 1 2 subject to clause 12 3, any [transmission] of shares by a shareholder to their spouse,

12 1 3 any transfer of shares by a shareholder to trustees of a Family Trust on its establishment by that shareholder,

12 1 4 without prejudice to Articles 14 and 15 (*Tag Along Rights* and *Drag Along Rights*), any transfer of shares made with the consent of the holders of 75% of the issued voting shares in the capital of the Company,

12 1 5 any transfer of Shares pursuant to an offer made in accordance with Article 14 (*Drag Along*) or 15 (*Tag Along*),

12 1 6 any transfer of shares by trustees of a Family Trust in their capacity as trustees of that Family Trust on a change of trustees to the new trustees of that Family Trust, or

12 1 7 any transfer of shares by trustees of a Family Trust in their capacity as trustees of that Family Trust to a person who has an immediate beneficial interest under the Family Trust,

(each a **Permitted Transferee**)

12 2 If a Family Trust as constituted whose assets include shares ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those shares and, if the trustees fail to so notify the Company or to give a Transfer Notice, they shall be deemed to have served the Company with a Transfer Notice in respect of those shares

12 3 Where a shareholder (the **Spouse**) has had shares transmitted to them pursuant to clause 12 1 2 (the **Transmitted Shares**), upon the Spouse's death the Transmitted Shares shall be transferred to a Descendant of the original shareholder, failing which a Transfer Notice shall be deemed to have been given in respect of the Transmitted Shares on the date of the Spouse's death

12 4 No shares may be transferred under this Article 12 if they are the subject of a Transfer Notice given or deemed to be given pursuant to Article 10 1 or Article 11 1

13 INFORMATION ABOUT SHAREHOLDINGS AND TRANSFERS

13 1 For the purpose of ensuring that a transfer of shares is duly authorised under the articles or that no circumstances have arisen whereby a Transfer Notice is required to be given, the directors may from time to time require

13 1 1 any shareholder,

13 1 2 the legal personal representatives of any deceased shareholder;

13 1 3 any person named as transferee in any transfer lodged for registration, or

13 1 4 any person who was, is, or may be a Descendant of any of the foregoing,

to provide the Company with such information and evidence as the directors may think fit including (but not limited to) the names and addresses and interests of all persons having interests in the shares from time to time registered in the shareholder's name

13 2 If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any shares the directors may by notice in writing require that a Transfer Notice be given in respect of the shares concerned

13 3 If such information or evidence is not provided to the satisfaction of the directors within 14 days after request, the directors

13 3 1 shall refuse to register the transfer in question or (if there is no transfer in question) require by notice in writing to the holder of the relevant shares that a Transfer Notice be given in respect of the shares concerned, and

13 3 2 may serve a notice on the shareholder or other person entitled or claiming to be entitled to be registered as the holder of the shares stating that the shareholder or such other person may not

(a) attend or vote (personally or by proxy) at any general meeting or at any class meeting, or

(b) receive dividends on his shares

until the evidence or information has been provided to the directors' satisfaction

14 TAG ALONG RIGHTS

14 1 If any shareholder, on his own or acting in concert (within the meaning of the edition of the City Code on Take-overs and Mergers current at the relevant time) with one or more other shareholder, proposes to sell or transfer, in one or a series of related transactions, shares equal to or greater than 50% of all the shares in issue in the capital of the Company at the time of the proposed sale or transfer (the **Proposing Seller**) to any person other than another shareholder or a permitted transferee pursuant to Article 12 the Proposing Seller shall, before the sale or transfer, give the Company a Transfer Notice in respect of such shares which shall state the Sale Price being a price not greater than that being offered by each proposed purchaser

14 2 Following the giving of a Transfer Notice pursuant to clause 14 1 and to the extent that any Sales Shares remain unallocated following the expiry of such Offer Period, the Proposed Seller shall procure that each proposed purchaser makes a bona fide written offer (**Tag Along Offer**) to each of the other shareholders (each a **Non-selling Party**) to buy that proportion of each Non-selling Party's shares which is equal to the proportion represented by the number of shares which the Proposing Seller is proposing to sell as against all the shares held by the Proposing Seller at the time of the proposed sale or transfer for the same price per share and otherwise on the same terms and conditions as those applying to the proposed sale or transfer by the Proposing Seller of his shares

14 3 Each Tag Along Offer shall specify

14 3 1 the price for the relevant shares and any other principal terms and conditions of the proposed sale or transfer, and

14 3 2 the period (being not less than 28 days from service of the Tag Along Offer) for acceptance by each Non-selling Party

14 4 If within the period specified in each Tag Along Offer any Non-selling Party accepts the offer in writing, then the Proposing Seller shall procure that the sale by that Non-selling Party of

his relevant shares shall proceed on the same financial terms (including price per share) and at the same time as the sale of the Proposing Seller's shares

- 14 5 Any acceptance by a Non-selling Party of a Tag Along Offer shall be irrevocable, but no sale of that Non-selling Party's shares pursuant to its acceptance shall take place unless and until the sale of the Proposing Seller's shares is completed

15 DRAG ALONG RIGHTS

- 15 1 The provisions of this Article 15 shall apply if any shareholder (on his own or acting in concert with one or more other shareholders) each a **Selling Shareholder**) proposes to sell or transfer shares (**Sale Shares**) that in aggregate constitute 90% or more of all the shares in issue in the capital of the Company at the time of the proposed sale or transfer as part of a bona fide arm's length transaction to any person other than another shareholder or a permitted transferee pursuant to Article 12
- 15 2 The Selling Shareholder may (but shall not be obliged to) give to the Company not less than 28 days' prior written notice of that proposed sale or transfer. That notice (**Sale Notice**) will include details of the Sale Shares and the proposed price per Sale Share to be paid by the proposed buyer (**Proposed Buyer**), details of the Proposed Buyer and the place, date and time of completion of the proposed purchase being a date not less than 28 days from service of the Sale Notice (the **Drag Along Completion**). Any Sale Notice received by the Company less than 28 days before the proposed date of the Drag Along Completion shall be ineffective
- 15 3 Immediately upon receipt of a Sale Notice, the Company shall give notice in writing (**Drag Along Notice**) to each of the shareholders (other than the Selling Shareholder) giving the details contained in the Sale Notice and requiring each of them to sell to the Proposed Buyer at the Drag Along Completion all shares held by them (and any of their permitted transferees to which shares have been transferred pursuant to Article 12), provided that the Selling Shareholder may withdraw a Sale Notice at any time prior to the Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect
- 15 4 Each shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the shares referred to in his Drag Along Notice to the Proposed Buyer on the Drag Along Completion at the highest price per Sale Share proposed by the Proposed Buyer, or, if higher, at which shares have been purchased by the Proposed Buyer or any person acting in concert with the Proposed Buyer during the period of six months prior to the date of the Sale Notice and otherwise on terms no less favourable than those applicable to the sale of shares by the Selling Shareholder
- 15 5 If any of the shareholders or their permitted transferees pursuant to Article 12 (each a **Defaulting Shareholder**) shall fail to comply with the terms of Article 15 4 in any respect
- 15 5 1 the Company shall be constituted the agent of each Defaulting Shareholder for the sale of his shares (together with all rights then attached to those shares) referred to in his Drag Along Notice in accordance with that notice,

- 15 5 2 the directors may authorise any director to execute and deliver on behalf of each Defaulting Shareholder the necessary transfers,
 - 15 5 3 the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Buyer to be registered as the holder of such shares,
 - 15 5 4 the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the Proposed Buyer (who shall not be bound to see to the application of those monies),
 - 15 5 5 after the Proposed Buyer has been registered in purported exercise of the powers in this Article 15 5, the validity of the proceedings shall not be questioned by any person, and
 - 15 5 6 the Company shall not pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the shares subject to the Drag Along Notice, have delivered a share certificate or a suitable indemnity and the necessary transfers to the Company
- 15 6 The expression **price per Sale Share** used in Articles 15 2 and 15 4 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the shares in question 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 the specified shares, and in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding

ORGANISATION OF GENERAL MEETINGS

16 PROCEEDINGS AT GENERAL MEETINGS

- 16 1 If and for so long as the Company has only one member that member present in person or by proxy or, where that member is a corporation, its duly authorised representative shall be a quorum at any general meeting of the Company or of the holder of any class of shares Article 38 of the Model Articles shall be modified accordingly

SCHEDULE 1
MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY
SHARES

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PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association,

“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,

“chairman” has the meaning given in article 12,

“chairman of the meeting” has the meaning given in article 39,

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company,

“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 31,

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

“electronic form” has the meaning given in section 1168 of the Companies Act 2006,

“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 Companies Act 2006;

“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,

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006,

“paid” means paid or credited as paid;

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

“proxy notice” has the meaning given in article 45,

“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 Companies Act 2006,

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006,
“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
Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company

Liability of members

2. 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

Directors’ general authority

3. Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company

Shareholders’ reserve power

4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action
(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution

Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions,

as they think fit

(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

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

Committees

6.—(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

(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

Directors to take decisions collectively

7.—(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 8

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

Unanimous decisions

- 8.—(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) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting
- (4) 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

Calling a directors' meeting

- 9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time,
 - (b) where it is to take place, and
 - (c) 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
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (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

Participation in directors' meetings

- 10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- (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
- (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

Quorum for directors' meetings

- 11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors

Chairing of directors' meetings

- 12.—(1) The directors may appoint a director to chair their meetings
- (2) The person so appointed for the time being is known as the chairman
- (3) The directors may terminate the chairman's appointment at any time

(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.

Casting vote

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

Conflicts of interest

14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes

(3) This paragraph applies when—

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process,
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (c) the director's conflict of interest arises from a permitted cause

(4) For the purposes of this article, the following are permitted causes—

- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries,
- (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities, and
- (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors

(5) For the purposes of this article, references to *proposed decisions and decision-making processes* include any directors' meeting or part of a directors' meeting

(6) Subject to paragraph (7), 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

(7) 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

Records of decisions to be kept

15. 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

Directors' discretion to make further rules

16. Subject to 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

Methods of appointing directors

17.—(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—

- (a) by ordinary resolution, or
- (b) by a decision of the directors

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director

(3) For the purposes of paragraph (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

Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) 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,
- (e) 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,
- (f) 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

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) 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

PART 3 SHARES AND DISTRIBUTIONS SHARES

All shares to be fully paid up

- 21.—**(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.
(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

- 22.—**(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
(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

Company not bound by less than absolute interests

- 23.** Except as required by law, no person is to be recognised by the company 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

Share certificates

- 24.—**(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
(2) Every certificate must specify—
 (a) in respect of how many shares, of what class, it is issued,
 (b) the nominal value of those shares,
 (c) that the shares are fully paid, and
 (d) any distinguishing numbers assigned to them
(3) No certificate may be issued in respect of shares of more than one class
(4) If more than one person holds a share, only one certificate may be issued in respect of it
(5) Certificates must—
 (a) have affixed to them the company's common seal, or
 (b) be otherwise executed in accordance with the Companies Acts

Replacement share certificates

- 25.—**(1) If a certificate issued in respect of a shareholder's shares is—
 (a) damaged or defaced, or
 (b) said to be lost, stolen or destroyed,
that shareholder is entitled to be issued with a replacement certificate in respect of the same shares
(2) A shareholder exercising the right to be issued with such a replacement certificate—
 (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
 (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

Share transfers

- 26.—**(1) 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 or on behalf of the transferor.
(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
(3) The company may retain any instrument of transfer which is registered.

(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

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But 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

Exercise of transmittees' rights

28.—(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

(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

(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.

Transmittees bound by prior notices

29. 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 has been entered in the register of members

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

(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

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights

(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

(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

(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

(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

Payment of dividends and other distributions

31.—(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—

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
- (b) 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 either in writing or as the directors may otherwise decide,
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share, or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
- (b) 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

(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

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) 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.

Non-cash distributions

34.—(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)

(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—

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees

Waiver of distributions

35. 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—

- (a) the share has more than one holder, or
- (b) 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

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) 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
- (b) 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

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

(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

(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

(5) Subject to the articles the directors may—

- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another,
- (b) 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
- (c) 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

Attendance and speaking at general meetings

37.—(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.

(2) A person is able to exercise the right to vote at a general meeting when—

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) 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

(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

(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.

(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

Quorum for general meetings

38. 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

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

(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—

- (a) the directors present, or
- (b) (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

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders

(2) The chairman of the meeting may permit other persons who are not—

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting

Adjournment

41.—(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

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

- (a) the meeting consents to an adjournment, or
- (b) 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

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

(4) When adjourning a general meeting, the chairman of the meeting must—

- (a) 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
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

(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)—

- (a) to the same persons to whom notice of the company’s general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain

(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

Voting: general

42. 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

Errors and disputes

43.—(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

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final

Poll votes

44.—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) 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.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors,
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal

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

Content of proxy notices

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

- (a) states the name and address of the shareholder appointing the proxy,
- (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

(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.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) 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
- (b) 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

Delivery of proxy notices

46.—(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

(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

(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

(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

Amendments to resolutions

- 47.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) 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
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (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

Means of communication to be used

- 48.—(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 Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company
- (2) 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
- (3) 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

Company seals

- 49.—(1) Any common seal may only be used by the authority of the directors
- (2) The directors may decide by what means and in what form any common seal is to be used
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- (4) For the purposes of this article, an authorised person is—
- (a) any director of the company,
 - (b) the company secretary (if any), or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

No right to inspect accounts and other records

50. 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

Provision for employees on cessation of business

51. 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

Indemnity

52.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company

(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

(3) In this article—

- (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 director" means any director or former director of the company or an associated company

Insurance

53.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss

(2) In this article—

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.