

**Company No. 01069599**

**Articles of Association**

in respect of Robinson Webster (Holdings) Limited

Incorporated 4 September 1972

Adopted by written resolution passed on ..... 2020



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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**ROBINSON WEBSTER (HOLDINGS) LIMITED**

**Adopted by written resolution passed on**

**2020**

**1 Preliminary**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company (**Model Articles**) (as annexed) apply to the Company except in so far as they are excluded or varied by or inconsistent with these Articles.

**2 Interpretation**

**2.1** In these Articles the following expressions have the following meanings unless inconsistent with the context:

**2006 Act** means Companies Act 2006 as amended from time to time;

**these Articles** means these Articles of Association as amended from time to time;

**A director** the meaning given to it in Article 6.1;

**A1 Preference Shares** means the "A1" preference shares of £0.01 each in the capital of the Company having the rights set out in Article 15;

**A2 Preference Shares** means the "A2" preference shares of £1.00 each in the capital of the Company having the rights set out in Article 15;

**A Preference Shares** means the A1 Preference Shares and the A2 Preference Shares;

**A shares** means the A ordinary shares of £1 each in the capital of the Company having the rights set out in Article 15;

**Asset Sale** means the disposal by the Company of all or substantially all of its undertaking and assets;

**Available Profits** means profits available for distribution within the meaning of part 23 of the 2006 Act;

**B director** has the meaning ascribed to it in Article 6.1;

**B1 Preference Shares** means the "B1" preference shares of £0.01 each in the capital of the Company having the rights set out in Article 15;

**B2 Preference Shares** means the "B2" preference shares of £1.00 each in the capital of the Company having the rights set out in Article 15;

**B Preference Shares** means the B1 Preference Shares and the B2 Preference Shares;

**B shares** means B ordinary shares of £1 each in the capital of the Company having the rights set out in Article 15;

**Business Day** means a day that is not a Saturday, Sunday or a Public or Bank Holiday in England and/or Wales;

**C shares** means C ordinary shares of £1 each in the capital of the Company having the rights set out in Article 15;

**Conflict Authorisation** means any authorisation of any Conflict Situation by the Equity Shareholders in accordance with Article 10.1;

**Conflict Situation** means any matter which would, if not authorised in accordance with the terms of the 2006 Act and these Articles, constitute or give rise to a situation in which a director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company in breach of his duty under section 175 of the 2006 Act. A conflict of interest includes a conflict of interest and duty and a conflict of duties;

**Control** means in relation to a person, the power (whether direct or indirect) to direct or cause the direction of its affairs, whether by means of holding shares, possessing voting power, exercising contractual powers or otherwise and **Controls** and **Controlled** will be construed accordingly;

**Deferred Shares** means the deferred shares of £0.0001 each in the capital of the Company having the rights set out in Article 15;

**electronic means** has the meaning given in section 1168 of the 2006 Act;

**eligible directors** as the meaning given in Model Article 8(3);

**Encumbrance** means any mortgage, charge, pledge, lien, assignment, option, restriction, claim, right of pre-emption, right of first refusal, third party right or interest, other encumbrance or security interest of any kind or other type of preferential arrangement (including a title transfer or retention arrangement) having similar effect;

**Equity Shareholders** means the holders of the Equity Shares;

**Equity Shares** means the A shares, the B shares and the Preferred Ordinary Shares;

**Exit** means a Sale or an Asset Sale;

**Financial Year** and **Financial Period** means an accounting reference period (as defined by the 2006 Act) of the Company;

**Generated Value** means in respect of a Listing, the Market Capitalisation of the Company immediately following the relevant Listing less the amount (if any) subscribed for new shares in the Company at the time of or connected with the relevant Listing;

**Group Companies** means in respect of a person, any persons that Control, are Controlled by or are under common Control with that person from time to time or any person connected (within the meaning of section 1122 of the Corporation Tax Act 2010) with the relevant person and **Group Company** will be construed accordingly;

**Interested Director** means a director who is the subject of the Conflict Situation;

**Listing** means the admission by the Financial Conduct Authority in its capacity as the UK Listing Authority of any shares in the Company to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any shares in the Company to trading on AIM, a market of the London Stock Exchange plc or the admission by any recognised investment exchange of any shares in the Company, and, in each case, such admission becoming effective;

**Market Capitalisation** means:

(a) £X where:

(b)  $X = A \times B$

Where:

A is the placing price payable for ordinary shares in the Company under any placing made as part of the relevant Listing or, if there is no such placing, the opening price at which ordinary shares in the Company are to be made available for sale by the Company's brokers at the opening of trading following the relevant Listing; and

B is the number of ordinary shares expected to be in issue at the opening of trading following the relevant Listing;

**Partial Sale** means the transfer by one or more, but not all, of the Equity Shareholders of all of the Equity Shares held by them to any single person or entity or to a group of connected persons or entities, to the extent this does not constitute a Sale;

**Preferred Ordinary Shares** means the preferred ordinary shares of £0.00001 each in the capital of the Company having the rights set out in Article 15;

**Preference Shares** means the A1 Preference Shares, the A2 Preference Shares, the B1 Preference Shares and the B2 Preference Shares;

**Proceeds of Sale** means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Sale;

**Sale** means the transfer of all of the Equity Shares in the Company (being a transfer by every Equity Shareholder of all of the Equity Shares held by them) to any single person or entity or to a group of connected persons or entities (whether by one transaction or by a series of transactions);

**Shareholder Conflict Situation** means a Conflict Situation which arises because the Interested Director (or any of his Group Companies) is or becomes:

- (a) a shareholder, investor, or other participant in, lender to, landlord, guarantor, director, officer, manager or employee of; or
- (b) otherwise in any way interested or concerned in; or
- (c) appointed by,

the Company and/or the shareholder who appointed him as a director of the Company or any of such shareholder's Group Companies;

**Shareholders' Agreement** means any agreement between, inter alia, all or predominantly all of the holders of the A shares and the B shares and relating to the management and control of the Company;

**the Statutes** means the Companies Acts as defined in section 2 of the 2006 Act and every other statute, order, regulation or other subordinate legislation in force from time to time relating to companies and affecting the Company;

**United Kingdom** means Great Britain and Northern Ireland.

2.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Statutes but excluding any statutory modification of the same not in force when these Articles become binding on the Company.

2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.

### 3 **Decision making by directors**

3.1 Any decision of the directors will either be a unanimous decision taken in accordance with Model Article 8 or will be determined by a simple majority of votes in favour.

3.2 Model Article 7(1) will not apply to the Company.

### 4 **Unanimous decisions of directors**

A decision of the directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing. Model Article 8(2) will not apply to the Company.

### 5 **Calling a directors' meeting**

Model Article 9(2)(c) will be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

### 6 **Number of directors and appointment and removal**

6.1 The number of directors will not be less than two nor more than nine and unless otherwise agreed in writing by the Equity Shareholders:

- (a) up to six of the directors will be appointed and removed by the holders of the A shares and will be called A directors; and
- (b) up to three of the directors will be appointed and removed by the holders of the B shares and will be called B directors.

Model Article 17 will not apply to the Company.

- 6.2 Each such appointment and removal as referred to in Article 6.1, will be made in writing to the Company by the holders of the A or B shares as the case may be. A notice which is not in electronic form will take effect when it is deposited at the registered office for the time being of the Company or when delivered to a meeting of the directors. A notice which is in electronic form will take effect when it is received at the address specified by the Company for the purpose of receiving such communications in electronic form.

## **7 Participation in directors' meetings**

- 7.1 Subject to these 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 these Articles; and
  - (b) they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.
- 7.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to Article 7.1(b), how they communicate with each other.
- 7.3 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.
- 7.4 Model Article 10 will not apply to the Company.

## **8 Quorum for directors' meetings**

- 8.1 Subject to Articles 8.3, 11.9(c) and 11.10(c) (and any written agreement between the Equity Shareholders from time to time) the quorum for directors' meetings throughout each meeting will be two directors participating in the meeting, which must include at least one A director and one B director (or their respective alternates).
- 8.2 If there is no quorum participating in any meeting of the directors within 30 minutes after the time fixed for the meeting or, if during the meeting a quorum ceases to be participating, the meeting will be adjourned to a time (not being earlier than three Business Days after the date of the original meeting) as the director or directors participating in the meeting determine. All directors will be notified of such adjournment and the time and place for the reconvened meeting.
- 8.3 If a meeting is adjourned under Article 8.2 and there is no quorum participating within 30 minutes after the time fixed for the adjourned meeting due to the absence of any class of director whose absence caused the previous meeting to be inquorate then those directors present, whatever their number and class, will constitute a quorum with authority to consider only those agenda items detailed in the notice of meeting.
- 8.4 Model Articles 11(2) and 11(3) will not apply to the Company.

**9 Casting vote**

Model Article 13(1) will be amended by deleting the words "has a casting vote" and by substituting for such words "will not have a casting vote" and Model Article 13(2) will not apply to the Company.

**10 Authorisation of directors' conflicts**

10.1 For the purposes of section 175 of the 2006 Act, the Equity Shareholders (and not the directors) shall have the power (acting by the holders of a majority of the A Shares and the Preferred Ordinary Shares (as if they were one class) and a majority of the B Shares) to authorise by resolution and in accordance with the terms of these Articles any Conflict Situation proposed to them in accordance with these Articles.

10.2 The Interested Director must provide the Equity Shareholders with details of the matter giving rise to the Conflict Situation (including the nature and extent of his interest).

10.3 Any Conflict Authorisation given may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict Situation;
- (b) provide that the Interested Director is to be excluded from the receipt of documents and information prepared by, or for, the directors to the extent they relate to matters related to the Conflict Situation;
- (c) provide that the Interested Director is not to participate in discussions (whether at meetings of the directors or otherwise) related to the Conflict Situation;
- (d) provide that the Interested Director will not be an eligible director for the purposes of Article 4 in respect of any future decision of the directors in relation to any resolution related to the Conflict Situation;
- (e) provide that the Interested Director may not vote (or be counted in the quorum) at any directors' meeting or any committee or sub-committee of the directors in relation to any resolution related to the Conflict Situation; and
- (f) be given on such other terms and subject to such other limits or conditions as the Equity Shareholders may determine.

10.4 Where any Conflict Authorisation is given:

- (a) the Interested Director will be obliged to conduct himself in accordance with any terms, limits or conditions imposed by the Equity Shareholders when giving the Conflict Authorisation;
- (b) where the Interested Director obtains, or has obtained (through his involvement in the Conflict Situation and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence;



- (c) the Interested Director may absent himself from the discussion of matters related to the relevant Conflict Situation at any meeting of the directors but will not be obliged to do so unless the terms of the Conflict Authorisation require it;
  - (d) the Interested Director may make arrangements not to receive (or may excuse himself from reviewing) any documents and information prepared by, or for, the directors to the extent they relate to matters related to the relevant Conflict Situation but will not be obliged to do so unless the terms of the Conflict Authorisation require it;
  - (e) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the 2006 Act, provided he acts in accordance with such terms, limits or conditions (if any) as the Equity Shareholders impose in respect of the Conflict Authorisation; and
  - (f) the Equity Shareholders may, at any time, vary the terms or duration of any Conflict Authorisation (including any limits or conditions imposed on it) or revoke any Conflict Authorisation by resolution in accordance with these Articles but this will not affect anything done by the Interested Director in accordance with the terms of such Conflict Authorisation prior to such variation or revocation.
- 10.5 Authorisation is given by the Equity Shareholders for the time being on the terms of these Articles to each director (current and future) in respect of any Shareholder Conflict Situation that exists as at the date on which these Articles are adopted or that subsequently arises. No authorisation under Article 10.1 will be necessary in respect of any such Shareholder Conflict Situation.
- 10.6 Subject to the terms of Articles 11.9 and 11.10, the terms attaching to the authorisation under Article 10.5 are that the Interested Director:
- (a) will not be obliged to disclose to the Company, or use in relation to the Company's affairs any information that is confidential to a third party and he has obtained through his involvement in the Shareholder Conflict Situation and otherwise than through his position as a director of the Company if to do so would amount to a breach of that confidence;
  - (b) may (but will not be obliged to) absent himself from the discussions of and/or the making of decisions related to the Shareholder Conflict Situation concerned;
  - (c) may (but will not be obliged to) make arrangements not to receive documents and information prepared by, or for, the directors relating to the Shareholder Conflict Situation concerned;
  - (d) may participate in discussions (whether at meetings of the directors or otherwise) related to the Shareholder Conflict Situation;
  - (e) will be an eligible director for the purposes of Article 4 in respect of any future decision of the directors in relation to any resolution related to the Shareholder Conflict Situation;

- (f) may vote and be counted in the quorum at any directors' meeting or any committee or sub-committee of the directors in relation to any resolution related to the Shareholder Conflict Situation; and
- (g) is deemed to have given a general notice in accordance with section 185 of the 2006 Act of all Shareholder Conflict Situations and is to be regarded as interested in any transaction or arrangement that may be made with the relevant shareholder or its Group Companies,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the terms of the authorisation in these Articles 10.5 and 10.6 as a breach by him of his duties under sections 172 to 174 of the 2006 Act.

- 10.7 The authorisation given or deemed given under Article 10.5 may be revoked, varied or reduced in its scope or effect by written agreement of all the Equity Shareholders for the time being.
- 10.8 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 Situation which has been authorised by or in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract will be liable to be avoided on such grounds.
- 10.9 The terms of Article 10 are subject to the terms of any written agreement between the shareholders in relation to the Company in existence at the relevant time.

## **11 Declaration of directors' interests**

- 11.1 Subject to sections 177(5) and 177(6) of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the 2006 Act.
- 11.2 Subject to sections 182(5) and 182(6) of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the 2006 Act, unless the interest has already been declared under Article 11.1.
- 11.3 Subject, where applicable, to any terms, limits or conditions imposed by the Equity Shareholders in accordance with Article 10.3, provided the director has declared the nature and extent of his interest in accordance with the requirements of the 2006 Act, a director:
  - (a) may be a party to or otherwise interested in any transaction or arrangement with the Company;
  - (b) may hold any other office or employment with the Company (other than the office of auditor);

- (c) may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
  - (d) may, or any firm or Company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor);
  - (e) will not be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the 2006 Act)) receives or profits made as a result of anything permitted by Articles 11.3(a) to 11.3(d) and no such transaction or arrangement will be liable to be avoided on the ground 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 2006 Act;
  - (f) will be an eligible director for the purposes of Article 4 in relation to any decision of the directors made in accordance with that article in respect of any of the matters referred to in Articles 11.3(a) to 11.3(d) and in any of the circumstances set out in Model Articles 14(3) and 14(4); and
  - (g) may participate in the decision making process for voting and quorum purposes on any of the matters referred to in Articles 11.3(a) to 11.3(d) and in any of the circumstances set out in Model Articles 14(3) and 14(4).
- 11.4 The terms of Article 11.3 are subject to the provisions of Articles 11.8 to 11.10.
- 11.5 For the purposes of these Articles references to decision making process includes any directors' meeting or part of a directors' meeting or meeting of any committee of directors.
- 11.6 For the purposes of Articles 11.1 to 11.3:
- (a) a general notice given in accordance with section 185 of the 2006 Act is to be treated as a sufficient declaration of interest;
  - (b) a director is not required to declare an interest:
    - (i) where he is not aware (or ought reasonably to be aware) of such interest or of the transaction or arrangement in question;
    - (ii) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
    - (iii) if, or to the extent that, the other directors are already aware (or ought reasonably to be aware) of it; and
    - (iv) if, or the extent that, it concerns the terms of his service contract that have been, or are to be, considered by a meeting of the directors or a committee of directors appointed for the purpose under the Company's constitution; and
  - (c) an interest of a director who appoints an alternate director will be treated as an interest of the alternate director.

- 11.7 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.
- 11.8 The provisions of Articles 11.9 and 11.10 will apply where either:
- (a) any shareholder (or one of that shareholder's Group Companies):
    - (i) asserts any claim against the Company; or
    - (ii) exercises or wants to exercise any rights in relation to, or seeks a remedy, or gives any notice in relation to any dispute with the Company,in each case in respect of a breach or alleged breach of any agreement entered into between the Company and that shareholder (or one of that shareholder's Group Companies); or
  - (b) the Company:
    - (i) asserts any claim against a shareholder (or one of that shareholder's Group Companies); or
    - (ii) exercises or wants to exercise any rights in relation to, or seeks a remedy, or give any notice in relation to any dispute with a shareholder (or one of that shareholder's Group Companies),in each case in respect of a breach or alleged breach of any other agreement entered into between the Company and that shareholder (or one of that shareholder's Group Companies), each matter referred to in this Article 11.8 being an **Action**.
- 11.9 If an Action is asserted by or against any holder of the B shares (or one of their Group Companies) then notwithstanding any other provisions of these Articles:
- (a) the A directors (acting as a committee and by majority vote) will have full authority on behalf of the Company (acting bona fide in the best interests of the Company) to negotiate, litigate and settle that Action in the name and at the expense of the Company without any further authority from the holders of the B shares (or any of their Group Companies) or from the B Directors;
  - (b) no B director will be entitled to make (or participate in making) any decisions in relation to that Action, nor attend or vote at any part of any meeting of the Board at which that Action is to be discussed nor be entitled to any Board papers or other information of the Company in relation to that Action;
  - (c) the quorum at any such part of any Board meeting convened to consider that Action will be satisfied without the presence of any B Director.
- 11.10 If the Action is asserted by or against any holder of the A shares (or one of their Group Companies), then notwithstanding any other provision of these Articles:
- (a) the B directors (acting as a committee and by majority vote) will have full authority on behalf of the Company (acting bona fide in the best interests of the Company) to negotiate, litigate and settle that Action in the name and at the expense of the Company without any further

authority from the holders of the A shares (or any of their Group Companies) or from the A directors;

- (b) no A director will be entitled to make (or participate in making) any decisions in relation to that Action, nor attend or vote at any part of any meeting of the Board at which that Action is to be discussed nor be entitled to any Board papers or other information of the Company in relation to that Action; and
- (c) the quorum at any such part of any Board meeting convened to consider that Action will be satisfied without the presence of any A director.

## **12 Termination of director's appointment**

In addition to the circumstances set out in Model Article 18 (a) to (f) (inclusive), a person ceases to be a director as soon as that person is removed from office as a director pursuant to Article 6.1.

## **13 Directors' pensions and gratuities**

In addition to the provisions of Model Article 19(3)(b), the directors may exercise all the powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for present or former directors or employees (or their dependants) of the Company or any subsidiary undertaking (as defined in section 1162 of the 2006 Act) or associated undertaking (as defined in section 479(4) of the 2006 Act) of the Company and the directors will be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

## **14 Alternate directors**

### **14.1 Appointment and removal of alternates**

Any director (**appointor**) may appoint as an alternate any other director, or any other person, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate's appointor.

14.2 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.

14.3 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

#### **14.4 Rights and responsibilities of alternate directors**

An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate's appointor.

14.5 An alternate director may act as an alternate director for more than one appointor provided each appointor is a director of the same class.

14.6 Except as these Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors,

and, each alternate director will 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.

14.7 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if his appointor(s) are not participating); and
- (b) 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).

Where an alternate has been appointed by more than one appointor, he may be counted as more than one director for such purposes.

14.8 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), and may count as more than one director for the purposes of determining whether a quorum is present if he has more than one appointor.

14.9 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.

#### **14.10 Termination of alternate directorship**

An alternate director's appointment as alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) 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;
- (c) on the death of the alternate's appointor; or

- (d) when the alternate's appointor's appointment as a director terminates.  
Alternate directors' expenses

14.11 Model Article 20 will be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

## 15 Share rights

Save as otherwise provided in these Articles, the A shares, the B shares, the A1 Preference Shares, the A2 Preference Shares, the B1 Preference Shares, the B2 Preference Shares, the Preferred Ordinary Shares, the Deferred Shares and the C shares shall be treated and as if they constituted one class of share. The rights attached to the A1 Preference Shares, the A2 Preference Shares the B1 Preference Shares, the B2 Preference Shares, the Preferred Ordinary Shares, the A shares, the B shares, the C shares and the Deferred Shares are as follows:

### 15.1 Dividends

15.1.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 15.1. Article 30(2) of the Model Articles shall not apply.

15.1.2 If Board or the Company in general meeting resolves to declare dividends, all resulting amounts available for distribution to Shareholders shall be distributed in cash by any lawful means as follows:

- (a) first, to the holders of the Preferred Ordinary Shares pro rata to their holdings of Preferred Ordinary Shares until the aggregate of all payments in respect of each Preferred Ordinary Share by way of dividend, return of capital, liquidation distributions or proceeds of an Exit is equal to the sum of £1.00 per Preferred Ordinary Share;
- (b) next, pro rata amongst the holders of the A1 Preference Shares until the aggregate of all payments made in respect of each A1 Preference Share by way of dividend, return of capital, liquidation distributions or proceeds of an Exit is equal to the sum of £1.00 per A1 Preference Share;
- (c) next, pro rata amongst the holders of the A2 Preference Shares until the aggregate of all payments made in respect of each A2 Preference Share by way of dividend, return of capital, liquidation distributions or proceeds of an Exit totals the amount paid up on such A2 Preference Share (including any paid up amounts standing to the credit of the share premium account in respect of the relevant A2 Preference Share);
- (d) next, pro rata amongst the holders of the B1 Preference Shares until the aggregate of all payments made in respect of each B1 Preference Share by way of dividend, return of capital, liquidation distributions or proceeds of an Exit is equal to the sum of £1.00 per B1 Preference Share;
- (e) next, pro rata amongst the holders of the B2 Preference Shares until the aggregate of all payments made in respect of each B2 Preference Share by way of dividend, return of capital, liquidation distributions or proceeds of an Exit totals the amount paid up on such B2 Preference

Share (including any paid up amounts standing to the credit of the share premium account in respect of the relevant B2 Preference Share); and

- (f) thereafter, pro rata amongst the holders of A shares, the B shares and the C shares (as if those shares constituted one and the same class).

15.1.3 Every dividend shall be distributed to the appropriate shareholders pro rata according to the numbers of shares held by them respectively. All dividends are expressed net and shall be paid in cash.

15.1.4 The Deferred Shares are not eligible for dividends.

15.1.5 The Company shall be required to exercise all rights and powers of control which it may have over its subsidiaries to ensure that any profits available for distribution by such subsidiaries are distributed up to the Company to the extent necessary to ensure that it is able to pay dividends in accordance with this Article 15.1.

## **15.2 Capital**

15.2.1 On a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so) amongst the holders of the Preferred Ordinary Shares, the A Preference Shares, the B Preference Shares, the A Shares, the B Shares and the C Shares in the order of priority and in the amounts set out in Articles 15.1.2(a) to 15.1.2(f).

15.2.2 Notwithstanding the foregoing, on a winding up or liquidation of the Company (whether following the appointment of a Liquidator or otherwise) the Deferred Shares shall receive a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares).

15.2.3 Subject to the Act, any Deferred Shares may be redeemed by the Company at any time at its option for one penny for all of the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the Deferred Shareholders.

15.2.4 The A shares, the B shares, the A Preference Shares, the B Preference Shares, the Preferred Ordinary Shares and the C shares shall not be redeemable.

## **15.3 Voting and attendance at meetings**

15.3.1 Directors may attend and speak at general meetings, whether or not they are members.

15.3.2 The Chairman of the Meeting may permit other persons who are not

- (a) members of the Company, or
- (b) otherwise entitled to exercise the rights of members in relation to general meetings,

to attend and speak at a general meeting.



- 15.3.3 The holders of Preference Shares, C Shareholders and Deferred Shareholders (if any) shall not be entitled to receive notice of or vote at a general meeting and shall not be entitled to attend save as provided under this Article 15.3.

#### **15.4 Transfer of Deferred Shares**

- 15.4.1 Any Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time, without obtaining the sanction of the Deferred Shareholders (or any of them) to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (whether as nominee, custodian or absolute legal and beneficial owner);
- (b) give, on behalf of such Deferred Shareholder, consent to the cancellation of or transfer of such Deferred Shares; and/or
- (c) such Deferred Shares in accordance with the 2006 Act,

in any case (i) for a price being not more than £0.01 for all such Deferred Shares registered in the name of a Deferred Shareholder; and (U) with the Company having authority pending such transfer, cancellation and / or purchase to retain certificates (if any) in respect thereof.

#### **16 Exit Provisions**

- 16.1 In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale but subject to Article 16.2, the selling holders (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and shall be distributed amongst such selling holders in the same order of priority and in the same manner as on a return of capital pursuant to Article 15.2.1 and to the extent that after such sums are applied in the manner provided for in Article 15.1.2, there are insufficient proceeds to enable payments to be made to the holders of one or more class of share, such shares will be transferred for nil value.
- 16.2 Notwithstanding Article 18, the Directors shall not register any transfer of Shares if the Proceeds of Sale are not distributed in accordance with Article 16.1, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Sale:
- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority provided for in Article 15.2.1; and
  - (b) the Shareholders shall take any action required to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 15.2.1.
- 16.3 For the avoidance of doubt in the event of a Partial Sale, the provisions of Article 15.2.1 shall not apply and the consideration (whenever received) shall be paid directly to the selling holders.

- 16.4 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 15.2.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action (including, but without prejudice to the generality of this Article 16.4, actions that may be necessary to put the Company into voluntary liquidation so that Article 15.2 applies).
- 16.5 In the event of an Exit approved by the Board and the Equity Shareholders in accordance with the terms of these Articles or the Shareholders' Agreement (the **Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit (**Actions**). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member (who the defaulting Shareholder irrevocably appoints as his agent) to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholder (without any obligation to pay interest) and which shall be good discharge in respect of the obligations of any person to the defaulting Shareholder).
- 16.6 Immediately prior to and conditionally upon a Listing, all holders of shares in the Company shall enter into such reorganisation of the share capital of the Company as they may agree to ensure that they hold a single class of ordinary shares in the Company in the proportions (in so far as reasonably practicable and as determined by the Board) that would correspond to their respective shares of the Generated Value arising in connection with such Listing if a Sale had instead occurred on the date of such Listing with the amount of the consideration arising on such sale having been equivalent to the Generated Value arising on such Listing.
- 16.7 Notwithstanding the foregoing, on a Sale, Asset Sale or Listing the Deferred Shares (if any) shall receive a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares).
- 17 **Allotment of shares**
- 17.1 The directors shall not allot any shares of any class unless notice in writing is given to each holder of Equity Shares specifying:
- (a) the number and class of shares which are proposed to be issued;
  - (b) the consideration payable on such issue; and
  - (c) any other material terms or conditions.
- 17.2 The notice specified in Article 17.1 shall relate to one or more classes of shares and shall invite each holder of Equity Shares to state, in writing within 10 Business Days from the date of receipt of such notice, whether

he/it (or his nominee) is willing to subscribe for any, and if so, how many shares.

- 17.3 The shares proposed to be issued pursuant to Article 17.1 shall be issued to, any holders of Equity Shares accepting the offer (or to the nominee specified in their acceptance issued under Article 17.2), in the same proportion (as nearly as may be) to the proportion which Equity Shares held by such holders bear to the total number of Equity Shares held by all such holders of shares accepting such offer (**Proportionate Element**) provided that any such holder (or their nominee) shall not be allocated more shares than he shall have stated himself (or his nominee) is willing to take. It shall be open to each such holder to specify if he/it (or his/their nominee) is willing to subscribe for shares in excess of his Proportionate Element (**Additional Shares**) and, if the holder does so specify, he shall state the number of Additional Shares.
- 17.4 Within three Business Days of the expiry of the invitation made pursuant to the notice given under Article 17.1 (or sooner if all holders have responded to the invitation and all the shares proposed to be issued have been accepted in the manner provided for in Article 17.3), the Board shall allocate the shares in the following manner:
- (a) if the total number of shares applied for is equal to or less than the available number of shares to be issued, the Company shall allocate the number applied for in accordance with the applications; or
  - (b) if the total number of shares applied for is more than the available number of shares to be issued, each holder shall be allocated his Proportionate Element (or such lesser number of shares to be issued for which he may have applied) and applications for Additional Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Additional Shares in his/its Proportionate Element, and in either case the Company shall forthwith give notice of each such allocation (an **Issue Notice**) to each of the persons to whom shares are to be issued (a **Member Subscriber**) and shall specify in the Issue Notice the time (being not later than 25 days after the date of the Issue Notice) at which the allotment of the shares shall be made.
- 17.5 Upon such allocations being made as set out in Article 17.4, the Board shall be bound, on payment of the subscription price, to issue the shares comprised in the Issue Notice to the Member Subscriber named therein at the time therein specified free from any lien, charge or Encumbrance provided that, if such Member Subscriber is a nominee of a holder of Equity Shares, that such nominee has executed a deed of adherence agreeing to be bound by any written agreement between the shareholders relating to the Company from time to time.
- 17.6 Notwithstanding anything herein to the contrary, the provisions in this Article 17 shall not apply to any issue of up to 5,024 C shares in such amounts as approved by a majority of the holders of the A shares.
- 17.7 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act shall not apply to the Company.

## **18 Transfer of shares**

### **18.1 Restrictions on Transfer**

18.1.1 In this Article 18, references to a transfer of a share include the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or Encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

18.1.2 Subject to any written agreement between the shareholders from time to time, no transfer of any shares will be made by any person without the consent in writing of the holders of a majority of the A shares.

### **18.2 Disapplication of pre-emption rights and directors' discretion to refuse to register a transfer of shares**

Notwithstanding anything contained in these Articles, whether expressly or impliedly contradictory to the provisions of this Article (to the effect that any provision contained in this Article shall override any other provision of these Articles) the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer:

- (a) is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee or such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**) (and a certificate by any such person or any employee of any such person that a security interest over the shares was so granted and that the transfer was so executed shall be conclusive evidence of such facts); or
- (b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
- (c) is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,

and the directors shall forthwith register any such transfer of shares upon receipt and furthermore notwithstanding anything to the contrary contained in these Articles, no transferor or any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee or no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for any valuable consideration or otherwise.

### **18.3 Unauthorised transfers null and void**

Any transfer of a share or purported transfer of a share made otherwise than in accordance with the provisions of these articles will be null and void and of no effect.

18.4 Save in connection with a transfer or issue of Shares which is not prohibited by any arrangements between (i) the Company and/or any of its Shareholders and (ii) any Secured Institution, the directors shall not issue

any share certificates (whether by way of replacement or otherwise) without the prior written consent of (or on behalf of) all (if any) Secured Institutions.

**18.5 Re-designation of shares**

If any A share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding B shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a B share.

18.6 If any B share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding A shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as an A share.

18.7 If any A1 Preference Share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding B1 Preference Shares, B2 Preference Shares or B shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a B1 Preference Share.

18.8 If any A2 Preference Share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding B1 Preference Shares, B2 Preference Shares or B shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a B2 Preference Share.

18.9 If any B1 Preference Share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding A1 Preference Shares, A2 Preference Shares or A shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as an A1 Preference Share.

18.10 If any B2 Preference Share is transferred pursuant to any of the provisions of these Articles or the Shareholders' Agreement to a shareholder holding A1 Preference Shares, A2 Preference Shares or A shares, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a A2 Preference Share.

**18.11 Registration of Transfers**

The directors may refuse to register the transfer of a share unless:

- (a) it made in compliance with the provisions of this Article 18;
- (b) it is in respect of only one class of shares;
- (c) it is lodged at the registered office of the Company or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and

(d) it is in favour of not more than one transferee.

- 18.12 If a transfer of shares is made in compliance with the provisions of Article 18.1.2 and provided the directors have not refused under Article 18.11, the directors will register such transfer. Model Article 26(5) will not apply to the Company.

## **19 Notice of general meetings**

Every notice convening a general meeting will:

- (a) comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and
- (b) be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

## **20 Proceedings at general meetings**

- 20.1 No resolution will be voted on and no other business will be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction will be effective unless a quorum is so present.

- 20.2 A quorum will consist of two shareholders present in person or by proxy or (in the case of a shareholder being a corporation) by representative of whom one will be a holder of A shares and one a holder of B shares save that if and for so long as the Company has only one person as a shareholder, one shareholder present in person or by proxy or (in the case of a shareholder being a corporation) by representative will be a quorum.

- 20.3 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting a quorum ceases to be present, the general meeting will stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors may determine and notify to the shareholders entitled to attend such meeting; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same such adjourned general meeting will be dissolved. Model Article 41(1) to (5) inclusive will not apply to the Company.

## **21 Votes of shareholders**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a written resolution every shareholder has one vote in respect of each share held by him, on a show of hands every shareholder entitled to vote who is present by a representative or proxy (not being himself a shareholder entitled to vote) has one vote and, on a poll, each shareholder has one vote for each share held by him.

## **22 Written resolutions**

- 22.1 A written resolution, proposed in accordance with section 288(3) of the Companies Act 2006, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.

22.2 For the purposes of this Article 22 **circulation day** is the day on which copies of the written resolution are sent or submitted to shareholders or, if copies are sent or submitted on different days, to the first of those days.

## 23 **Company communication provisions**

23.1 Where:

- (a) a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and
- (b) the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient two business days after it was posted.

23.2 Where:

- (a) a document or information is sent or supplied by electronic means; and
- (b) the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient immediately after it was sent.

23.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

23.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section will be deemed modified by Articles 23.1, 23.2 and 23.3.

23.5 Subject to any requirements of the 2006 Act only such documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

## 24 **Directors' indemnity and insurance**

24.1 Subject to, and so far as may be permitted by, the 2006 Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, alternate director, or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, or other officer of the Company or of any such associated company and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the 2006 Act.

- 24.2 Subject to the 2006 Act the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director or other officer of the Company or associated company.
- 24.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company will be entitled to fund the expenditure of every director, former director, alternate director or other officer of the Company incurred or to be incurred:
- (a) in defending any criminal or civil proceedings; or
  - (b) in connection with any application under sections 661(3), 661(4) or section 1157 of the 2006 Act.
- 24.4 Model Articles 52 and 53 will not apply to the Company.





1. Home (<https://www.govuk/>)
2. Model articles for private companies limited by shares  
(<https://www.gov.uk/government/publications/model-articles-for-private-companies-limited-by-shares>)
1. Companies House (<https://www.gov.uk/government/organisations/companies-house>)

Regulation

## Model articles for private companies limited by shares

Updated 18 September 2018

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Model articles for private companies limited by shares

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**Part 1 Interpretation and limitation of liability**

**1. 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.

## **2. 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**

#### **3. 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.

#### **4. 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.

## **5. 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.

## **6. 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**

### **7. 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.

### **8. 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.

## **9. 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.

## **10. 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.

## **11. 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.

## **12. 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

## **13. 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.

## **14. 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.

#### **15. 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.

#### **16. 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**

##### **17. 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.

#### **18. 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) [paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]

(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.

## **19. 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.

## **20. Directors' expenses**

1. 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**

## **21. 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.

## **22. 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.

### **23. Company not bound by less than absolute interests**

1. 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,

### **24. 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.

### **25. Replacement share certificates**

25.—(1) If a certificate issued in respect of a shareholders 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.

## **26. 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.

## **27. 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.

## **28. 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.

## **29. Transmittees bound by prior notices**

1. 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**

### **30. 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.

### **31. 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.

### **32. No interest on distributions**

1. 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.

### **33. 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.

### **34. 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.

### **35. Waiver of distributions**

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—

(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**

#### **36. 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**

#### **37. 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.

### **38. Quorum for general meetings**

1 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.

### **39. 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".

### **40. 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.



## **41. 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**

### **42. Voting: general**

1. 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.

### **43. 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.

### **44. 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.

#### **45. 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.

#### **46. 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.

#### **47. 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**

#### **48. 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.

#### **49. 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.

#### **50. No right to inspect accounts and other records**

1. 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.

#### **51. Provision for employees on cessation of business**

1. 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

#### **52. 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.

### **53. 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.