

COMPANY NO. 01284170
THE COMPANIES ACT 2006

MONDAY



PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

THE BODY SHOP INTERNATIONAL LIMITED

(Adopted by special resolution passed on 15 January 2018)

PART 1

PRELIMINARY

1. Articles of association

These articles constitute the articles of association of the company. No regulations contained in any statute or subordinate legislation, including the regulations contained in Schedule 1 to The Companies (Model Articles) Regulations 2008, apply to the company.

INTERPRETATION AND LIMITATION OF LIABILITY

2. Defined terms

In the articles, unless the context requires otherwise:

"**alternate**" or "**alternate director**" has the meaning given in article 29;

"**appointor**" has the meaning given in article 29;

"**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;

"**call**" has the meaning given in article 44;

"**call notice**" has the meaning given in article 44;

"**chairman**" has the meaning given in article 16;

"**chairman of the meeting**" has the meaning given in article 71;

"**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;

"**company's lien**" has the meaning given in article 42;

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called and **"directors"** means the directors or any of them acting as the board of directors of the company;

"distribution recipient" has the meaning given in article 60;

"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;

"eligible director" means a director who would be entitled to vote on the relevant matter at a meeting of directors and whose vote would be counted in respect of such matter;

"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;

"Group Company" means any company or other person from time to time directly or indirectly owned or controlled by Natura Cosméticos S.A. or any successor of Natura Cosméticos S.A.;

"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;

"lien enforcement notice" has the meaning given in article 43;

"member" has the meaning given in section 112 of the Companies Act 2006;

"office" means the registered office of the company;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"parent company" means a company (wherever incorporated) which is the holder of not less than ninety per cent of the issued shares of the company;

"participate", in relation to a directors' meeting, has the meaning given in article 14;

"partly paid" in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the company;

"proxy notice" has the meaning given in article 77;

"secretary" means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary; **"shares"** means shares in the company;

"Situational Conflict" has the meaning given in article 21(1);

"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;

“Transactional Conflict” has the meaning given in article 20(1);

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a member, or in consequence of the merger or consolidation of any member, being a corporation, 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.

Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- (a) any subordinate legislation from time to time made under it; and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

Reference to the singular shall include the plural and vice versa and reference to one gender include any other gender.

References to a "person" includes any individual, partnership, body corporate, corporation sole or aggregate, state or agency of a state, and any unincorporated association or organisation, in each case whether or not having separate legal personality.

References to "sterling", "pounds sterling" or "£" are references to the lawful currency from time to time of the United Kingdom.

References to time of the day are to London time states unless otherwise stated.

Words introduced by the word "other" shall not be given a restrictive meaning because they are preceded by words referring to a particular class of acts, matters or things.

General words shall not be given a restrictive meaning because they are followed by words which are particular examples of the acts, matters or things covered by the general words and the words "includes" and "including" shall be construed without limitation.

Clause and paragraph headings are inserted for ease of reference only and shall not affect construction of the articles.

3. **Liability of members**

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

4. Single member

If at any time and for so long as the company has a single member, all the provisions of these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

5. Directors' general authority

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.

6. Company name

The directors may resolve in accordance with article 11 to change the company's name.

7. Members' reserve power

- (1) The members may, by special resolution, or the parent company (if any) may, by notice, direct the directors to take, or refrain from taking, specified action.
- (2) No such direction invalidates anything which the directors have done before the passing of the resolution or the giving of the notice (as the case may be).

8. Directors may delegate

- (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) Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate all or any of the powers delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

9. Committees

- (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 co-opt persons other than directors onto any such committee. Any such co-opted persons may enjoy voting rights in the committee. The co-opted members shall be less than one half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are directors.
- (3) 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.

10. Associate directors

The directors may appoint any person to any office or employment having a designation or title including the word "director" and/or may attach such a designation or title to any existing office or employment with the company and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall in no way imply that the holder is a director of the company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the company for any of the purposes of the articles.

DECISION-MAKING BY DIRECTORS

11. Directors to take decisions collectively

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 12.

12. Unanimous decisions

- (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 where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- (3) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

13. Calling a directors' meeting

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the 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) Subject to article 13(4), 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 seven 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.

14. Participation in directors' meetings

- (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 (including by way of telephone or video conference).
- (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. In default of such a decision, the meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is.
- (4) If a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting), for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive provided that, 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. Quorum for directors' meetings

- (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) Subject to articles 9(2) and 14(3), the quorum for transacting business at a meeting of the directors is any two eligible directors.
- (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 members to appoint further directors.

16. Chairing of directors' meetings

- (1) The directors may appoint a director to chair their meetings. The person so appointed for the time being is known as the chairman.

- (2) The directors may terminate the chairman's appointment at any time.
- (3) 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.

17. Voting at directors' meetings: general rules

- (1) Subject to the articles, each director participating in a directors' meeting has one vote.
- (2) Subject to such disclosure as is required by law and the articles, 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 (including for this purpose any directors' meeting or part of a directors' meeting) for quorum and voting purposes.

18. Casting vote

- (1) Subject to article 17(2), if the numbers of votes for and against a proposal at a meeting of the directors are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) The chairman or other director chairing a meeting (or part of a meeting) shall not have a casting vote if, in accordance with the articles, the chairman, or other director, is not an eligible director for the purposes of that meeting (or part of a meeting).

19. Alternates voting at directors' meetings

A director who is also an alternate director has an additional vote on behalf of each appointor who is:

- (a) not participating in a directors' meeting; and
- (b) would have been entitled to vote if they were participating in it.

20. Conflicts of interest – transactional conflicts

- (1) Subject to the sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006 and provided that he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts and provided that he has obtained the approval of the parent company (if any), a director notwithstanding his office who is in any way, whether directly or indirectly interested in an existing or proposed transaction or arrangement with the company (a **"Transactional Conflict"**):
 - (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
 - (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee) of directors) in respect of such contract or proposed contract in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- (f) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any parent undertaking or subsidiary undertaking of the company, or any subsidiary undertaking of any parent undertaking of the company, or any body corporate in which any such parent undertaking or subsidiary undertaking is interested

and:

- (i) unless the directors decide otherwise shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he (or a person connected (as defined in section 252 of the Companies Act 2006) with him) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall 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 Companies Act 2006; and
 - (ii) may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from the receipt or use of information, which will or may relate to that transaction or arrangement.
- (2) For the purposes of this article 20, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

21. **Conflicts of interest – situational conflicts**

- (1) The directors may, in accordance with the requirement set out in this article 21, authorise (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation), to the fullest extent permitted by law:
 - (a) any matter or situation proposed to them by any director (an “**Interested Director**”) which would otherwise, if not authorised, result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties) but excluding a Transactional Conflict (a “**Situational Conflict**”); and
 - (b) a director to accept or continue in any office, employment or position in addition to his office as a director of the company (not being an office, employment or position which the director is authorised to hold pursuant to article 21(5)(a)) (an “**Office**”),

and may authorise the manner in which a conflict of interest arising out of such Situational Conflict or Office may be dealt with, either before or at the time that such a conflict of interest arises.

- (2) Any authorisation pursuant to article 20(2) is effective only if:
 - (a) the matter in question was proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of the articles or in such other manner as the directors may approve;
 - (b) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- (3) Any authorisation of a Situational Conflict or Office under this article 21 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 Situational Conflict or Office so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Situational Conflict or Office;
 - (c) provided that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Situational Conflict or Office;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Situational Conflict or Office as the directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Situational Conflict or Office 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; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Situational Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent to which they relate to such matters.
- (4) In relation to any Situational Conflict or Office that has been authorised pursuant to article 21(1) (subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below):
 - (a) the director shall not be required to disclose to the company, or use in performing his duties as a director of the company, any information relating to such matter, or such office, employment or position, if to make such a disclosure or use would result in a breach of a duty or obligation of

confidence owed by him in relation to or in connection with that matter, or that office, employment or position;

- (b) the director may absent himself from discussions, whether in directors' meetings or otherwise, and exclude himself from the receipt or use of information, which will or may relate to that matter, or that office, employment or position; and
- (c) the director shall not, by reason of his office as a director of the company (or because of the fiduciary relationship established by reason of being a director), be accountable to the company for any remuneration, profit or other benefit which he derives from or in connection any relationship involving a Situational Conflict or Office which has been authorised by the directors or by the company by ordinary resolution (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

(5) Notwithstanding any other provision of these articles:

- (a) subject to compliance by him with his duties as a director under Part X of the Companies Act 2006 (other than the duty in section 175(1) of the Companies Act 2006 which is the subject of this article 21(5)), a director may, at any time, be a director or other officer of, or employed by, or otherwise interested in, whether directly or indirectly, any Group Company and:
 - (A) shall not breach his duty in section 175(1) of the Companies Act as a result of holding such office or employment or having such direct or indirect interest;
 - (B) shall not, be accountable to the company for any remuneration or other benefit which he (or a person connected (as defined in section 252 of the Companies Act 2006) with him) derives from any such office or employment or from any interest in any such body corporate and the receipt of any remuneration or other benefit arising from such office, employment or interest shall not constitute a breach of his duty under section 176 of the Companies Act 2006;
 - (C) shall not be required to disclose to the company, or use in performing his duties as a director of the company, any information relating to any such office, employment or interest if to make such disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that office, employment or interest: and
 - (D) may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from the receipt or use of information, which will or may relate to that office or employment;
- (b) the parent company may, at any time, by notice to the company, authorise, on such terms it shall think fit, any Situational Conflict or Office which has been notified to the board by any director under article 21(1) (whether or not the matter has already been considered under, or deemed to fall within article 21(1)); and
- (c) no contract entered into shall be liable to be avoided by virtue of:

- (A) any director having an interest of the type referred to in article 21(1) where the relevant Situational Conflict or Office has been approved as provided by that article or which is authorised pursuant to article 21(5)(b); or
- (B) any director having an interest which falls within article 21(5)(a).

22. Records of decisions to be kept

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.

23. Directors' discretion to make further rules

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

24. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum, but shall not be less than one.

25. Methods of appointing and removing directors

- (1) The parent company (if any) may at any time and from time to time appoint any person who is willing to act as a director, and is permitted by law to do so, to be a director, either to fill a vacancy or as an additional director, and may remove any director from office.
- (2) Any appointment or removal of a director in accordance with article 25(1) must be effected by notice in writing to the company signed by the person making the appointment or removal or in any other manner approved by the directors.
- (3) The directors shall also have the power to appoint any person who is willing to act as a director, and is permitted by law to do so, to be a director, either to fill a vacancy or as an additional director.

26. Termination of director's appointment

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms;
- (g) that person is convicted of a criminal offence (other than a motoring offence not resulting in disqualification) and the directors resolve that he shall for that reason cease to be a director;
- (h) that person is removed as a director in accordance with article 25(1); or
- (i) that person is requested to resign in writing by a simple majority of the other directors. In calculating the number of directors who are required to make such a request to the director:
 - (A) an alternate director appointed by him acting in his capacity as such shall be excluded; and
 - (B) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the signature of either shall be sufficient.

27. Directors' remuneration

- (1) Directors, provided that they have obtained the approval of the parent company (if any), may undertake any services for the company that the directors decide.
- (2) Directors, provided that they have obtained the approval of the parent company (if any), 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.

28. Directors' expenses

The company may pay any reasonable expenses which the directors and the secretary (if any) 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.

ALTERNATE DIRECTORS

29. Appointment and removal of alternates

- (1) Any director (the "**appointor**") may appoint as an alternate any other director, or any other person who is willing to act as a director, and is permitted by law to do so, and who has been approved by decision of the directors, to:
 - (a) exercise that director's powers; and
 - (b) carry out that director's responsibilities,in relation to the taking of decisions by the directors in the absence of the alternate's appointor.
- (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.

30. Rights and responsibilities of alternate directors

- (1) An alternate director may act as alternate director for more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.
- (2) Except as the 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.
- (3) A person who is an alternate director and also a 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, but shall not be counted as more than one director for the purposes of determining whether a quorum is present.
- (4) 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 present (but only if that person's appointor is not participating);
 - (b) may participate in taking a decision in accordance with article 12 (but only if that person's appointor has not so participated); and
 - (c) shall not be counted as more than one director for the purposes of articles 30(4)(a) and 30(4)(b).

- (5) 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.

31. Termination of alternate directorship

An alternate director's appointment as an 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;
- (d) when the alternate's appointor's appointment as a director terminates; or
- (e) when the alternate director resigns his office by notice to the company.

SECRETARY

32. Appointment and removal of secretary

- (1) A secretary may at any time and from time to time be appointed, to which the remaining provisions of this article 32 shall apply.
- (2) Subject to the articles, the secretary shall be appointed by the parent company (if any) or the directors for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by such appointor(s).

PART 3

SHARES AND DISTRIBUTIONS

ISSUE OF SHARES

33. All shares to be fully paid up

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 issues.

34. Further issues of shares: pre-emption rights

- (1) In accordance with section 569 of the Companies Act 2006, section 561 of the Companies Act 2006 shall apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act) made by the company. This Article shall cease to have effect where:
 - (a) the power in this article is revoked;
 - (b) the company ceases to be a private company limited by shares;
 - (c) there is more than one class of shares in the company.

35. Powers to issue different classes of share

- (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 or, subject to and in default of such determination, as the directors may determine.
- (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.

36. Power to allot shares

The directors shall not exercise any power of the company to allot shares, or to grant rights to subscribe for or to convert any security into shares, except with the prior approval of an ordinary resolution.

37. Payment of commissions on subscription for shares

- (1) The company may pay any person a commission in consideration for that person:
 - (a) subscribing, or agreeing to subscribe, for shares; or
 - (b) procuring, or agreeing to procure, subscriptions for shares.
- (2) *Any such commission may be paid:*
 - (a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and
 - (b) in respect of a conditional or an absolute subscription.

INTERESTS IN SHARES

38. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

SHARE CERTIFICATES

39. Certificates to be issued

- (1) The company must issue each member with one or more certificates in respect of the shares which that member holds.
- (2) Except as otherwise specified in the articles, all certificates must be issued free of charge.
- (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.

40. **Contents and execution of share certificates**

- (1) 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) the amount paid up on them; and
 - (d) any distinguishing numbers assigned to them.
- (2) Certificates must:
 - (a) have affixed to them the company's common seal; or
 - (b) be otherwise executed in accordance with the Companies Acts.

41. **Replacement share certificates**

- (1) If a certificate issued in respect of a member's shares is:
 - (a) damaged or defaced; or
 - (b) said to be lost, stolen or destroyed,that member is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A member 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.

PARTLY PAID SHARES

42. **Company's lien over partly paid shares**

- (1) The company has a lien (the "**company's lien**") over every share which is partly paid for any part of:
 - (a) that share's nominal value; and
 - (b) any premium at which it was issued,which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- (2) The company's lien over a share:
 - (a) takes priority over any third party's interest in that share; and

- (b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.
- (3) The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

43. Enforcement of the company's lien

- (1) Subject to the provisions of this article, if:
 - (a) a lien enforcement notice has been given in respect of a share; and
 - (b) the person to whom the notice was given has failed to comply with it,the company may sell that share in such manner as the directors decide.
- (2) A lien enforcement notice:
 - (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - (b) must specify the share concerned;
 - (c) must require payment of the sum payable within 14 days of the notice;
 - (d) must be addressed either to the holder of the share or to a transmittee of that holder; and
 - (e) must state the company's intention to sell the share if the notice is not complied with.
- (3) Where shares are sold under this article:
 - (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
 - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
 - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
 - (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.

- (5) A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been sold to satisfy the company's lien on a specified date:
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

44. Call notices

- (1) Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.
- (2) A call notice:
 - (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium);
 - (b) must state when and how any call to which it relates it is to be paid; and
 - (c) may permit or require the call to be paid by instalments.
- (3) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- (4) Before the company has received any call due under a call notice the directors may:
 - (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the notice,by a further notice in writing to the member in respect of whose shares the call is made.

45. Liability to pay calls

- (1) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- (2) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- (3) Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:
 - (a) to pay calls which are not the same; or
 - (b) to pay calls at different times.

46. **When call notice need not be issued**

- (1) A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium):
 - (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- (2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

47. **Failure to comply with call notice: automatic consequences**

- (1) If a person is liable to pay a call and fails to do so by the call payment date:
 - (a) the directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.
- (2) For the purposes of this article:
 - (a) the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date;
 - (b) the "**relevant rate**" is:
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent per annum.
- (3) The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- (4) The directors may waive any obligation to pay interest on a call wholly or in part.

48. **Notice of intended forfeiture**

A notice of intended forfeiture:

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that share or to a transmittee of that holder;

- (c) must require payment of the call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 days after the date of the notice;
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

49. Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

50. Effect of forfeiture

- (1) Subject to the articles, the forfeiture of a share extinguishes:
 - (a) all interests in that share, and all claims and demands against the company in respect of it; and
 - (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.
- (2) Any share which is forfeited in accordance with the articles:
 - (a) is deemed to have been forfeited when the directors decide that it is forfeited;
 - (b) is deemed to be the property of the company; and
 - (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.
- (3) If a person's shares have been forfeited:
 - (a) the company must send that person notice that forfeiture has occurred and record it in the register of members;
 - (b) that person ceases to be a member in respect of those shares;
 - (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;
 - (d) that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- (4) At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit.

51. Procedure following forfeiture

- (1) If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- (2) A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been forfeited on a specified date:
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- (3) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- (4) If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:
 - (a) was, or would have become, payable; and
 - (b) had not, when that share was forfeited, been paid by that person in respect of that sharebut no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.

52. Surrender of shares

- (1) A member may surrender any share:
 - (a) in respect of which the directors may issue a notice of intended forfeiture;
 - (b) which the directors may forfeit; or
 - (c) which has been forfeited.
- (2) The directors may accept the surrender of any such share.
- (3) The effect of surrender on a share is the same as the effect of forfeiture on that share.
- (4) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

TRANSFER AND TRANSMISSION OF SHARES

53. Transfers of shares

- (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:
 - (a) the transferor; and

- (b) (if any of the shares is partly paid) the transferee.
- (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 shall register a transfer of shares which is:
 - (a) lodged at the office or such other place as the directors have appointed;
 - (b) accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf; and
 - (c) presented for registration duly stamped or is an exempt transfer within the Stock Transfer Act 1982,
 and may, in their absolute discretion, refuse to register any other transfer of shares.
- (6) If the directors refuse to register the transfer of a share, 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.

54. Transmission of shares

- (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) Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

55. Transmittees' rights

- (1) 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.
- (2) Subject to article 25(2), transmittees do not have the right to attend or vote at a general meeting 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.

56. Exercise of transmittees' rights

- (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.

57. Transmittees bound by prior notices

If a notice is given to a member 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 member before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

58. Procedure for declaring dividends

- (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 members' respective rights.
- (4) Unless the members' 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 member'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.

59. Calculation of dividends

- (1) Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:
 - (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
 - (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (2) If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

60. **Payment of dividends and other distributions**

- (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 in consequence of the merger or consolidation of any holder being a corporation, or otherwise by operation of law, the transmittee.

61. **Deductions from distributions in respect of sums owed to the company**

- (1) If:
 - (a) a share is subject to the company's lien; and
 - (b) the directors are entitled to issue a lien enforcement notice in respect of it,they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.
- (2) Money so deducted must be used to pay any of the sums payable in respect of that share.
- (3) The company must notify the distribution recipient in writing of:
 - (a) the fact and amount of any such deduction;
 - (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
 - (c) how the money deducted has been applied.

62. No interest on distributions

The company shall not be obliged to 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.

63. Unclaimed distributions

- (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.

64. Non-cash distributions

- (1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on 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 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.

65. Waiver of distributions

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

66. Authority to capitalise and appropriation of capitalised sums

- (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:
 - (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or
 - (b) 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 MEMBERS

CALLING GENERAL MEETINGS

67. Calling general meetings

The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Companies Acts, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Companies Acts. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

68. Period of notice

- (1) General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent. in nominal value of the shares giving that right.
- (2) The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.
- (3) Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member, to the directors and to the auditors.

ORGANISATION OF GENERAL MEETINGS

69. Attendance and speaking at general meetings

- (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.

70. 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.

- (2) Save in the case of a company having only one member, two qualifying persons present at a meeting shall be a quorum, unless each is a qualifying person only because:
 - (a) he is duly authorised to act as the representative of a corporation in relation to the meeting and they are representatives of the same corporation; or
 - (b) he is appointed as proxy of a member in relation to the meeting and they are proxies of the same member.
- (3) In the case of a company having only one member, one qualifying person present at a meeting shall be a quorum.
- (4) In this article, a "**qualifying person**" means:
 - (a) an individual who is a member of the company;
 - (b) a person duly authorised to act as the representative of a corporation in relation to the meeting; or
 - (c) a person appointed as a proxy of a member in relation to the meeting.

71. **Chairing general meetings**

- (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 member 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**".

72. **Attendance and speaking by directors and non-members**

- (1) Directors may attend and speak at general meetings, whether or not they are members.
- (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.

73. Adjournment

- (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 seven 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

74. 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.
- (2) Subject to any rights or restrictions attached to any shares, on a show of hands:
 - (a) every member present in person has one vote; and
 - (b) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote.
- (3) Subject to any rights or restrictions attached to any shares, on a poll:
 - (a) every member has one vote for every share of which he is the holder; and

- (b) all or any of the voting rights of a member may be exercised by one or more duly appointed proxies (but so that, where a member appoints more than one proxy, the proxies (taken together) shall not exercise more extensive voting rights than could be exercised by the member in person).

75. Errors and disputes

- (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.

76. Poll votes

- (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; or
 - (c) any member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative or by proxy and 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 at such time and in such manner as the chairman of the meeting directs.

77. Content of proxy notices

- (1) Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
 - (a) states the name and address of the member appointing the proxy;
 - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the member 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,

and a proxy notice which is not delivered in such manner shall be invalid unless the directors in their absolute discretion at any time before the start of the meeting otherwise determine.

- (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 and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting.
- (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.

78. Delivery of proxy notices

- (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) Subject to articles 78(3) and 78(4), a proxy notice must be delivered to the company or to such other place as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting before the start of the meeting or adjourned meeting to which it relates.
- (3) In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to the company or to such other place as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting before the time appointed for the taking of the poll.
- (4) In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered in accordance with article 78(2) or at the meeting at which the poll was demanded to the chairman, the secretary or any director.
- (5) 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.
- (6) 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.

- (7) If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who signed it to sign it on the appointor's behalf.

79. Amendments to resolutions

- (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.

RESTRICTIONS ON MEMBERS' RIGHTS

80. No voting of shares on which money owed to company

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the company in respect of that share have been paid.

APPLICATION OF RULES TO CLASS MEETINGS

81. Class meetings

The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

PART 5

ADMINISTRATIVE ARRANGEMENTS

82. Means of communication to be used

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

For the purposes of this article 82, no account shall be taken of any part of a day that is not a business day.

- (3) In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose of the Companies Act 2006.
- (4) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (5) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

83. Company seals

- (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.
- (4) For the purposes of this article, an authorised person is:
 - (a) any director of the company;
 - (b) the secretary; or

- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.
- (5) If the company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors.

84. No right to inspect accounts and other records

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

85. Provisions for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

86. Indemnity

- (1) Subject to article 86(2), but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
 - (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) 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);
- including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and
- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 86(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- (2) This article 86 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 86:

- (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 other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006).

87. **Insurance**

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.
- (2) In this article:
 - (a) a "**relevant officer**" means any director or other officer or former director or other officer of the company or an associated company (including any such company which is a trustee of an occupational pension scheme as defined by section 235(6) Companies Act 2006);
 - (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
 - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.