

COMPANY NUMBER 02510099

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

ASSURED GUARANTY UK LIMITED



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## **INTERPRETATION**

1. In these articles:

**"the Act"** means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

**"the articles"** means the articles of association of the company;

**"clear days"** in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**"the company"** means Assured Guaranty UK Limited;

**"director"** means a person appointed to the board of the company;

**"electronic form"** has the meaning given to it in section 1168 of the Act;

**"the holder"** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

**"member"** means a person whose name is entered in the register of members of the company;

**"office"** means the registered office of the company;

**"seal"** means the common seal of the company and any official seal permitted to be used by the Act;

**"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; and

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

No regulations set out in any schedule to any statute or statutory instrument concerning companies (including the Companies (Model Articles) Regulations 2008 or the Companies Table A to F Regulations 1985 (as amended)) shall apply to the company.

Unless the context otherwise requires, words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles become binding on the company.

## **LIMITED LIABILITY OF MEMBERS**

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

## **AMENDMENT OF ARTICLES**

3. The company may amend its articles by special resolution.

## **SHARE CAPITAL**

4. Subject to the provisions of the Act and article 5 of these articles the directors are hereby authorised to exercise the powers of the company to offer, allot, agree to allot, grant any right to subscribe for, or to convert any security into shares to such persons (including any

directors) at such times and generally on such terms and conditions as they think proper (including redeemable shares) but subject to any direction to the contrary given by the company in general meeting provided that no shares shall be issued at a discount or otherwise contrary to the Act.

5. The directors may not in the exercise of the authority conferred on them by article 4 allot shares if:
  - (a) The nominal amount of such allotment, added to the amount of the relevant securities previously allotted pursuant to such authority, would exceed £100,000,000; or
  - (b) A period of five years has elapsed from the date of the special resolution adopting these articles and the allotment is not made pursuant to an offer or agreement made by the company during such period.
6. The authority of the directors conferred on them by article 4 of the articles to allot shares may be varied, revoked or renewed by ordinary resolution of the company in accordance with the provisions of the Act.
7. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
8. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder, on such terms and in such manner as may be provided by the articles.
9. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
10. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

#### **VARIATION OF RIGHTS**

11. The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

#### **SHARE CERTIFICATES**

12. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal of the company if the company has a seal, or otherwise executed in such manner as may be permitted by the Act and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

13. If a share certificate is defaced, worn-out, lost, stolen or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### **LIEN**

14. The company shall have a first and paramount lien on all the shares registered in the name of any member for all moneys due to the company from him or his estate, whether solely or jointly with any other person (whether a member or not) in respect of those shares (whether such moneys are presently payable or not). The company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The directors may at any time resolve that any share shall be exempt, wholly or partly, from the provisions of this article.
15. The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
16. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
17. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES AND FORFEITURE**

18. The directors may accept from any member the whole or any part of the amount remaining unpaid on any share held by him notwithstanding that no part of that amount has been called up.
19. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
20. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
23. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
24. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
25. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
26. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
27. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment 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.
28. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### **TRANSFER OF SHARES**

29. No transfer of any share may be registered without the approval of a member or members holding a majority in nominal value of the issued shares for the time being conferring the right to vote at general meetings of the company, and the directors shall be bound to approve a transfer which has such approval.
30. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

31. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
32. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
33. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
34. The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

#### **TRANSMISSION OF SHARES**

35. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
36. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
37. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company provided always that the directors may at any time give notice requiring any such person to elect either to become or to have another person registered as the holder of the share and if the requirements of the notice are not complied with within 90 days the directors may thereafter withhold of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice has been complied with.

#### **PURCHASE AND REDEMPTION OF OWN SHARES**

38. Subject to the Act and these articles, the company may purchase its own shares (including, without limitation, any redeemable shares) at any price (whether above, at or below par).

#### **NOTICE OF GENERAL MEETINGS**

39. General meetings shall be called by at least 14 clear days' notice. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.
40. One or more members holding at least 5% of the company's subscribed capital may require the directors to call a general meeting pursuant to section 303 of the Act. Any such request shall state the items to be put on the agenda.



41. 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 and to the directors and auditors.
42. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### **SHORT NOTICE**

43. A general meeting is, notwithstanding that it is called by shorter notice than that specified in article 39 deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 90% in nominal value of the shares giving that right (calculated excluding any shares held as treasury shares).

#### **QUORUM**

44. No business may be transacted at a general meeting unless a quorum of members is present when the meeting proceeds to business.
  - (a) Subject to (b), two persons present, each of whom is a member or a proxy for a member or a representative, appointed in accordance with the articles, of a corporation which is a member, is a quorum for all purposes.
  - (b) If and for so long as the company has a sole member, one person present, being the sole member or a proxy for the sole member or a representative, appointed in accordance with the articles, of a corporation which is the sole member, is a quorum for all purposes.

#### **CORPORATE MEMBER MAY APPOINT A REPRESENTATIVE**

45. A corporation which is a member may, under its seal or under the hand of a duly authorised officer, authorise a person to act as its representative at a meeting of the company. That person may exercise the same powers on the corporation's behalf which he represents as that corporation could exercise if it were an individual member personally present at the meeting. The secretary, a director or the board may require evidence of the authority of the representative to act.

#### **PROCEEDINGS AT GENERAL MEETINGS**

46. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within ten minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
47. If no director is willing to act as chairman, or if no director is present within ten minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
48. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
49. 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 meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine and

if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorised representative shall be a quorum.

50. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
51. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), or if it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
52. If there are two or more classes of shares, each resolution shall be subject to a separate vote by each class.
53. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
  - (a) by the chairman; or
  - (b) by any member present in person or by proxy or (being a corporation) by its duly authorised representative,

and a demand by a person as proxy for a member shall be the same as a demand by the member.

54. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
55. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
56. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
57. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

58. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **AMENDMENT OF RESOLUTIONS**

59. 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.
60. 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.
61. 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.

#### **VOTES OF MEMBERS**

62. Subject to any rights or restrictions as to voting attached to any shares by the terms on which they were issued or by or in accordance with the articles or otherwise:
- (a) on a vote on a resolution on a show of hands at a meeting:
    - (i) each member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative has one vote; and
    - (ii) every proxy present who has been duly appointed by a member who is entitled to vote on the resolution has one vote,

provided that no individual who is present at a meeting in more than one capacity shall have more than one vote on a show of hands unless he has been duly appointed by more than one member entitled to vote on the resolution and has been instructed by one or more of those members to vote for the resolution and by one or more of those members to vote against it; and
  - (b) on a vote on a resolution on a poll taken at a meeting each member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy has one vote for each share held by him.
63. A proxy need not be a member of the company. Subject to the Act, a member may appoint more than one proxy to attend on the same occasion.

64. The appointment of a proxy must be in writing (a "**Proxy Notice**") in any usual or common form. The directors are entitled to require that a Proxy Notice must be in a particular form and are entitled to require different forms for different purposes.
65. A Proxy Notice in hard copy form must be signed by the appointing member or his agent duly authorised in writing, or, if the appointing member is a corporation, under its common seal or by a duly authorised agent or officer. A Proxy Notice in electronic form must be authenticated in the manner that is specified from time to time by the directors for documents of that type which are sent or supplied in electronic form or (if the directors have not specified their requirements for the authentication of that type of document) in the manner indicated by the Act for documents or information sent or supplied in electronic form.
66. The company may require evidence of the authority of any agent or officer that signs or authenticates a Proxy Notice on behalf of a member to be submitted with the Proxy Notice. If a Proxy Notice is signed or authenticated under a power of attorney or other written authority, the company or any person acting on its behalf may require any written authority under which the appointment has been made, or a copy of that authority certified notarially or in some other way approved by the directors to be submitted with the Proxy Notice.
67. If more than one proxy is appointed, the Proxy Notice must specify the shares held by the member in respect of which each proxy is entitled to act on behalf of the appointing member. If the company receives more than one appointment of a proxy in respect of the same share or shares, the appointment received last revokes each earlier appointment and the company's decision as to which appointment was received last is final. If more than one proxy is appointed by a member, a proxy appointed by that member need not, if he votes, use his votes in the same way as another proxy appointed by that member.
68. A Proxy Notice and any evidence required by the directors to be supplied with it in accordance with article 66 may be delivered:
  - (a) in hard copy form; or
  - (b) if the company agrees (or is deemed by the Act to have agreed), in electronic form, but then only in the type of electronic form that the company has agreed to (or is deemed by the Act to have agreed to).
69. A proxy appointment relating to a meeting is only valid if the Proxy Notice and any evidence required to be supplied with it in accordance with article 66 is received:
  - (a) in the case of documents in hard copy form, into the hand of the chairman of the meeting or at the office or at such other place within the United Kingdom as is specified for the receipt of Proxy Notices in the notice of meeting or in any form of Proxy Notice issued by the company in relation to the meeting; or
  - (b) in the case of documents in electronic form to any address specified by or on behalf of the company for the purpose of receiving the appointment of a proxy in electronic form in:
    - (1) the notice convening the meeting;
    - (2) any form of Proxy Notice issued by the company in relation to the meeting; or
    - (3) the invitation to appoint a proxy issued by the company in relation to the meeting; and

(c) in each case specified in article 69(a) and (b):

- (i) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the Proxy Notice proposes to vote; or
- (ii) in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for the taking of the poll,

except in the case of documents in hard copy form handed to the chairman pursuant to article 69(a), in which case it is sufficient if they are handed to the chairman of the meeting or adjourned meeting before the commencement of the meeting or adjourned meeting to which they relate, provided that the chairman of the meeting may always accept a Proxy Notice delivered after the relevant deadline has passed, in their absolute discretion.

- 70. In calculating the time periods mentioned in article 69(c), no account will be taken of any part of a day that is not a working day.
- 71. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 72. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of Proxy Notices, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 73. No member shall vote on any resolution of the members or on any separate resolution of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
- 74. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 75. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 76. The company is under no obligation to check that a proxy exercises the votes of a member at all or in accordance with their instructions.

#### **NUMBER OF DIRECTORS**

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

#### **ALTERNATE DIRECTORS**

78. A director may by written notice signed by him and deposited or received at the office or received by the secretary or in such other manner as the directors may approve appoint another director or any other person to be and act as his alternate director.
79. Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be given to him) be entitled to notice of meetings of the directors or of committees of directors, and to attend and vote as a director at any such meeting at which the director appointing him is entitled to attend and vote but is not personally present and generally at such meeting to exercise all the powers, rights, duties and authorities of the director appointing him. Every alternate director shall also be entitled to sign on behalf of the director appointing him, a resolution in writing of the directors pursuant to article 122.
80. An alternate director shall neither be an officer of the company as a result of his appointment as an alternate director nor entitled to any remuneration from the company for acting as an alternate director.
81. A director may by written notice signed by him and deposited or received at the office or received by the secretary or in such other manner as the directors may approve at any time revoke the appointment of an alternate director appointed by him.
82. If a director shall cease to hold the office of director for any reason, the appointment of his alternate director shall thereupon automatically cease.

#### **POWERS OF DIRECTORS**

83. Subject to the provisions of the Act, the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
84. No alteration of the articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by article 83 shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
85. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
86. A director shall be under a duty not to divulge any information concerning the company, the disclosure of which might be prejudicial to the company's interests, except where such disclosure is required or permitted by law. This duty shall continue to apply after the director has ceased to hold office.

#### **DELEGATION OF DIRECTORS' POWERS**

87. The directors may delegate any of their powers to any committee consisting of one or more directors and may also appoint to any such committee persons who are not directors. In particular, without limitation, the board may grant the power to sub-delegate. They may also delegate to any managing director or any director holding any other

executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

88. The company may by ordinary resolution, decision of the directors, or in accordance with article 90 appoint a person to be a director either to fill a vacancy or as an additional director. Each director may be removed at any time by ordinary resolution of the company or by notice given in accordance with article 90.
89. A director whose term of appointment expires, may, once or more than once, be reappointed for a further term, provided that each such reappointment is made in accordance with article 88.
90. A member or members having the right to attend and vote at any general meeting of the company and holding 75 per cent or more in nominal value of the shares giving that right may from time to time by notice in writing or (subject to the Act) in electronic form to the company remove any director from office or appoint any person to be a director, and any such removal or appointment shall be deemed to be an act of the company and not only of such member or members. Any such notice may consist of one or more documents each executed by or on behalf of such member or members and shall take effect at and from the time when such notice is received at the registered office of the company or produced to a meeting of the directors of the company.
91. In any case where, as a result of death or bankruptcy, the company has no members and no directors, the transmittee(s) of the last member to have died or to have a bankruptcy order made against him has (or have) the right, by notice in writing, to appoint a person who is willing to act and is permitted to do so to be a director.
92. For the purposes of article 91, where 2 or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

93. The office of a director shall be vacated if:
  - (a) that person ceases to be a director by virtue of any provision of the Act, or is prohibited by law from being a director;
  - (b) that person becomes bankrupt or makes any arrangement or composition with his creditors generally in satisfaction of his debts; or
  - (c) 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;
  - (d) that person resigns his office by notice to the company and such resignation has taken effect in accordance with its terms provided that such action shall be without prejudice to the terms of and to any rights of the company under any contract between the director and the company; or
  - (e) notice of that person's removal is given in accordance with article 90.

#### **REMUNERATION OF DIRECTORS**

94. The directors shall be 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.
95. Subject to these articles, a director's remuneration may take any form. Unless the directors decide otherwise, the remuneration shall be deemed to accrue from day to day and directors will not be 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. Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine.

#### **DIRECTORS' EXPENSES**

96. The company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at
- (a) meetings of directors or committees of directors,
  - (b) general meetings,
  - (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.

#### **EXECUTIVE DIRECTORS**

97. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of chief executive officer or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A chief executive officer and a director holding any other executive office shall be subject to the same provisions as to resignation and removal as the other directors of the company.

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

98. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director:
- (a) may be a party to, or otherwise interested in, any contract, transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested (a "Relevant Matter");



- (b) shall be entitled to vote on any proposed decision of the directors (or committee of directors) in respect of any Relevant Matter or proposed Relevant Matter in which he is interested and shall also be counted in determining the number of directors involved in making the proposed decision;
- (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 any Relevant Matter or proposed Relevant Matter in which he is interested and shall also be counted in determining whether a quorum is present at such a meeting;
- (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 a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested or any body corporate with which the company is associated (within the meaning of section 256(a) of the Act);
- (f) may have an interest such that the interest cannot reasonably be regarded as likely to give rise to a conflict or possible conflict with the interests of the company;
- (g) may have an interest, or a contract, transaction, arrangement or proposal giving rise to an interest, of which the director is not aware;
- (h) may have any other interest authorised by an ordinary resolution of the company; and
- (i) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any Relevant Matter or from any such office or employment or from any interest in any such body corporate and no such Relevant Matter shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

99. No declaration of an interest shall be required under article 98 in relation to an interest:

- (a) falling within article 98(e), 98(f) or 98(g);
- (b) if, or to the extent that, the other directors are already aware of such interest (the other directors for this purpose treated as being aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined in section 227 of the Act) that have been or are to be considered by a meeting of the directors or by a committee of directors appointed for the purpose under the articles.

100. The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would or might, if not authorised, involve a director (an "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflicts").

Any authorisation under this article will be effective only if:

- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of the articles or in such other manner as the directors may determine;

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
101. Any authorisation of a Conflict under these articles may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information related to the Conflict and from participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - (c) provide that the Interested Director shall or shall not be entitled to vote in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
102. Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
103. The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director prior to such revocation or variation, in accordance with the terms of such authorisation.
104. Without prejudice to articles 98 or 100, if a question arises at any time as to whether any interest of a director prevents him or should prevent him from voting, being counted in the directors making a decision or being counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting and/or attending, such question shall be referred to the chairman and his ruling in relation to any director other than himself shall be final and conclusive, except in a case where the nature or extent of the interest of such director (so far as it is known to him) has not been fairly disclosed.
105. Without prejudice to articles 98 or 100, if any question arises at any time as to the right of the chairman to participate in a meeting (or part of a meeting) or any decision of the directors, the question shall be decided by a decision of the directors, for which purpose the chairman is not to be counted as participating in the meeting or decision for voting and quorum purposes, and the decision shall be conclusive, except in a case where the nature or extent of the interest of the chairman (so far as it is known to him) has not been fairly disclosed.
106. An Interested Director shall be under no duty to the company with respect to any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person. In particular, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 of the Act because he fails:

- (a) to disclose any such information to the directors or to any director or other officer or employee of the company; or
- (b) to use or apply any such information in performing his duties as a director.

However to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the directors pursuant to the articles.

- 107. Article 106 is without prejudice to any enactment, equitable principle or rule of law which may excuse or release a director from disclosing information in circumstances where disclosure may otherwise be required.
- 108. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 109. The company may by ordinary resolution ratify any contract, transaction, arrangement or proposal involving a Relevant Matter or Conflict not properly authorised by reason of a contravention of any provision of the articles.

#### **DIRECTORS' GRATUITIES AND PENSIONS**

- 110. The directors may:
  - (a) establish and maintain, or procure the establishment and maintenance of, any share option or share incentive or profit-sharing schemes or trusts or any non-contributory or contributory pension or superannuation schemes or funds for the benefit of, and may make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's-worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company, or is allied to or associated with the company or with any such subsidiary, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and to the wives, husbands, widows, widowers, families and dependants of any such persons;
  - (b) establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the company, or of any such other company as aforesaid, or of any such persons as aforesaid;
  - (c) make payments for or towards policies of assurance on the lives of any such persons and policies of insurance for the benefit of or in respect of any such persons (including insurance against their negligence or breach of duty to the company) as aforesaid;
  - (d) pay, subscribe or guarantee money to or for any charitable or benevolent objects, or for any exhibition, or for any political, public, general or useful object; and
  - (e) do any of the above things either alone or in conjunction with any such other company as aforesaid.

Subject always, if so required by law, to particulars with respect to the proposed payment being disclosed to the members of the company and to the payment being approved by the company, any director shall be entitled to participate in and retain for his own benefit any such loan, donation, gratuity, pension, allowance or emolument.

**POWER TO MAKE PROVISION FOR EMPLOYEES**

111. The directors are authorised to sanction (by a resolution of the directors) the making of provision for the benefit of persons employed or formerly employed by the company, or any of its subsidiaries, in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

**PROCEEDINGS OF DIRECTORS**

112. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit and 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.

113. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Every director shall be given reasonable notice of every meeting of the directors, such notice to be sent to such address as is notified by him to the company for this purpose, or otherwise communicated to him personally. The notice need not be given in writing and, if the director agrees, may be given by means of an electronic communication. 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.

114. Any director may by notice to the company either before or after the meeting waive his right to receive notice of the meeting and any director who either:

- (a) is present at the commencement of a meeting whether personally or by his alternate director; or
- (b) does not, within seven days following its coming to his attention that a meeting has taken place without proper notice of such meeting having been given to him pursuant to this article, notify the company that he desires the proceedings at such meeting to be regarded as a nullity,

shall be deemed hereafter to have waived his right to receive notice of such meeting pursuant to this article. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

115. The quorum for the transaction of the business of the directors may be fixed from time to time by the directors, but must never be less than two, and unless so fixed at any other number shall be two. Unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. A person attending a meeting of the board of directors, who is acting as an alternate director for one or more directors shall be counted as one for each of the directors for whom he is so acting and, if he is a director, shall also be counted as a director, but not less than two individuals constitute a quorum.

116. 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.
117. The directors shall appoint one of their number to be the chairman of the board of directors and may at any time replace the director holding that office with another director. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if the director holding that office is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present must appoint one of their number to be chairman of the meeting.
118. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
119. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
120. Where proposals are under consideration concerning the appointment or the terms of appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote in respect of each resolution except that concerning his own appointment and shall be counted in the quorum in respect of each resolution including that concerning his own appointment.
121. A meeting of the board of directors may consist of a conference between directors some or all of whom are in different places if each director who participates is able:
- (a) to hear each of the other participating directors addressing the meeting; and
  - (b) if the director so wishes, to address all of the other participating directors simultaneously,
- whether directly, by conference telephone or any other form of communications equipment (whether in use when these articles are adopted or developed subsequently) or by a combination of these methods. Each director so participating in a meeting is deemed to be "present" at that meeting for the purpose of these articles. A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
122. If:
- (a) each director (or each member of a committee) for the time being entitled to receive notice of a meeting of the board of directors (or committee) and together not being less than a quorum agrees to the passing of a resolution; and

- (b) the agreement of the director (or committee member) is contained in:
- (i) a document sent in electronic form of a type that the directors decide may be used in relation to this article and which complies with each requirement (including, without limitation, those as to authentication) that the directors have specified for documents of that type that are sent in electronic form; or
  - (ii) a copy of the proposed written resolution in hard copy form, signed by the director (or committee member),

that resolution is as effective as a resolution passed at a meeting of the board of directors (or, as the case may be, committee) duly convened and held.

123. For the purposes of article 122(b)(ii), the agreement of the directors (or, as the case may be, committee members) may be contained in several documents in the same form each signed by one or more of the directors (or, as the case may be, committee members).
124. A written resolution of the directors (or, as the case may be, committee members) will be valid at the time the last director (or, as the case may be, committee member) who is required to agree in order for it to become effective signs or otherwise agrees to it in accordance with article 122.

#### **SECRETARY**

125. Subject to the provisions of the Act, the secretary shall be appointed by 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 them.
126. A person may only be appointed to the office of secretary after the date of the adoption of these articles if he is duly qualified in accordance with the Act.
127. The directors may resolve to appoint one or more persons to be deputy or assistant secretary. A deputy or assistant secretary may do anything required or authorised to be done by or to the secretary.

#### **MINUTES**

128. The directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers and alternate directors made by the directors; and
  - (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, of the directors, and of committees of directors, including the names of the persons present at each such meeting.

#### **THE SEAL**

129. The company need not have a seal but if the company does have a seal, the seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by an authorised person in the presence of a witness.
130. The company is authorised pursuant to section 49 Companies Act 2006 to have an official seal for use in any territory, district, or place elsewhere than in the United Kingdom.

## **DIVIDENDS**

131. Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
132. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall 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 any shares having deferred or non-preferred rights.
133. Any dividend declared shall be deemed cancelled (unless otherwise provided by the directors) if:
  - (a) there is non-compliance with the company's solvency capital requirement; or
  - (b) the distribution would lead to non-compliance with the company's solvency capital requirement.
134. No distribution relating to the shares shall be made when the company is not in compliance with its solvency capital requirement or if such distribution would lead to non-compliance with company's solvency capital requirement.
135. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be 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; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
136. A resolution of the members declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
137. Any dividend or other moneys payable in respect of a share may be paid, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to that one of those persons who is first named in the register of members or to such person as the person or persons entitled may in writing direct and such payment shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
138. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

139. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

#### **ACCOUNTS AND AUDIT**

140. The board of directors must ensure that proper accounts and accounting records are kept in accordance with the Act.
141. The accounting records must be kept at the registered office of the company, or (subject to the Act) at another place as decided by the board of directors. Those records must always be open to inspection by the directors and other officers of the company. No member (other than a director or an officer of the company) has the right to inspect any account, book or document of the company except if that right is conferred by the Act or he is so authorised by the board or the company in general meeting.
142. The auditors' report must be open to inspection as required by the Act.
143. The company may send summary financial statements in accordance with the Act.
144. Auditors are to be appointed and their duties, powers, rights and remuneration regulated in accordance with the Act.
145. Once at least in each year the company's accounts must be examined and the balance sheet, profit and loss account and the company's group accounts (if any) reported on by an auditor or the auditors.
146. Subject to the Act, each act done by a person acting as an auditor is, as regards a person dealing in good faith with the company, valid notwithstanding that there was a defect in his appointment or that he was at the time of his appointment not qualified for appointment.
147. The auditor is entitled to attend each general meeting and to receive each notice of and other communication relating to a general meeting which a member is entitled to receive, and to be heard at each general meeting on any part of the business of the meeting which concerns him as auditor.

#### **CAPITALISATION OF PROFITS**

148. The directors may with the authority of an ordinary resolution of the company:
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
  - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;



- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

#### NOTICES

149. In these articles a reference to:

- (a) a notice, document or information which is to be sent or supplied to the company being signed or executed, is a reference, where that notice, document or information is in electronic form, to its being authenticated in the manner that is specified from time to time by the board of directors for documents of that type which are sent or supplied in electronic form or (if the board of directors has not specified its requirements for the authentication of that type of document) in the manner indicated by the Act for documents or information sent or supplied in electronic form;
- (b) an "instrument" means a document in hard copy form; and
- (c) "writing" includes references to any method of representing or reproducing 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 and "written" has a corresponding meaning.

150. Subject to the articles, any document, information or notice to be sent or supplied by the company under the articles may (subject to the terms and conditions set out in the Act) be sent or supplied in any way and to any address as the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by the company or to which the recipient has generally or specifically agreed. Subject to compliance with the conditions set out in the Act, a document, information or notice may be sent or supplied by the company to a member or other person by being made available on a website.

151. Subject to the articles, any document, information or notice to be sent or supplied to the company under the articles may (subject to the terms and conditions set out in the Act) be sent or supplied in any way and to any address as the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied to the company or to which the company has generally or specifically agreed. Nothing in these articles is to be interpreted as constituting a general or specific agreement by the company to the use of a particular form (other than hard copy form) for a particular type of document, information or notice sent to it.

152. Subject to the articles, any document, information or notice 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 documents, information or notices for the time being. A director may agree with the company that notices, information 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.

153. A document, information or notice which is sent by the company to a member by post is deemed to have been received at the expiration of 24 hours if pre-paid as first class post,

and 48 hours if pre-paid as second class post, after it has been posted. In proving service it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted.

154. A document, information or notice (whether in hard copy form or electronic form) which is not sent by post or electronic means but is delivered by hand by the company to a member in accordance with these articles is deemed to have been received on the day it is delivered.
155. A document, information or notice sent or supplied by electronic means by the company to a member is deemed to have been received on the same day as it is sent. In proving service it is sufficient to prove that the document or information sent or supplied by electronic means was properly addressed and shown as given in a report or log retained by or on behalf of the company.
156. Where a document, information or notice is sent or supplied by the company to a member by means of a website, it is deemed to have been received:
  - (a) when the material was first made available on the website; or
  - (b) if later, when the intended recipient received (or, in accordance with these articles, is deemed to have received) notice of the fact that the document or information is available on the website.
157. In the case of joint holders of a share, a document, information or notice is validly sent or supplied to all joint holders of a share if it is sent or supplied to the person who is named first in the register of members in respect of the joint holding. Where anything is required by the Act or these articles to be agreed or specified in relation to a document, information or notice to be sent or supplied to the holder of a share that is held by joint holders, the company is only required to obtain the agreement or specification of the person who is named first in the register of members in respect of the joint holding, and is entitled to rely on that agreement or specification being binding on all joint holders.
158. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
159. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
160. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

#### **WINDING UP**

161. If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the

members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

**COMPANY MAY INDEMNIFY DIRECTORS**

162. Subject to article 163 the company may indemnify:

- (a) any relevant director or any relevant secretary against any liability incurred by or attaching to that person in the actual or purported execution or discharge of his duties, the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office; and
- (b) any relevant director or any relevant secretary against any liability incurred by him 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 Act).

Where a director or any secretary is indemnified against a liability in accordance with this article 162, the indemnity may extend to all costs, charges, losses, expenses and liabilities incurred by him.

163. Article 162 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or the Regulations including any statutory modification or re-enactment thereof after the date of these articles, or by any other provision of law.

164. Subject to the Act and as far as permitted by the Act including any statutory modification or re-enactment thereof after the date of these articles, the company may:

- (a) provide a relevant director and any relevant secretary with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings referred to in section 205(1)(a)(i) of the Act or in connection with any application under the provisions mentioned above in section 205(1)(a)(ii) of the Act; and
- (b) do anything to enable that person to avoid incurring such expenditure,

but so that, in the case of a director, the terms set out in section 205(2) of the Act shall apply to any such provision of funds or other things done.

165. For purposes of articles 162 to 165 and articles 168 to 169:

- (a) "associated company" means, in relation the company, a company which is the company's subsidiary, or the company's holding company, or a subsidiary of the company's holding company; and
- (b) a "relevant director" means any director or former director of the company or an associated company, and a "relevant secretary" means any secretary or former secretary of the company or an associated company.

**INSURANCE**

166. Subject to the Act including any statutory modification or re-enactment thereof after the date of these articles, the directors may purchase and maintain, at the expense of the company, insurance against any relevant liability for the benefit of any person who is or has at any time been a relevant officer.

167. In article 166:

- (a) "relevant officer" means:

- (i) a director or secretary or employee of the company or an associated company or of any predecessor in business of the company or an associated company; or
  - (ii) a trustee of any employees' share scheme, pension fund or retirement, death or disability scheme for the benefit of any employee of the company or associated company or of any predecessor in business of the company or an associated company;
- (b) "relevant liability" means any liability incurred by a relevant officer in respect of any act or omission in the actual or purported discharge of his duties as a relevant officer, or in the exercise or purported exercise of his powers as a relevant officer, or otherwise as a relevant officer; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

#### INDEMNITY

168. The company, subject to and as far as permitted by the Act including any statutory modification or re-enactment thereof after the date of these articles, indemnifies all relevant directors out of its funds to the fullest extent permitted by law, and in particular indemnifies each relevant director against:

- (a) any liability incurred by or attaching to a relevant director in connection with any negligence, default, breach of duty or breach of trust by the director in relation to the company other than any liability incurred by the director:
  - (i) to the company or any associated company;
  - (ii) to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising);
  - (iii) in defending criminal proceedings in which that director is convicted (within the meaning of section 234(4) of the Act);
  - (iv) in defending any civil proceedings brought by the company, or an associated company, in which judgment (within the meaning of section 234(4) of the Act) is given against that director; or
  - (v) in connection with any application:
    - (1) under section 661(3) or (4) of the Act (acquisition of shares by innocent nominee);
    - (2) under section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct); or
    - (3) in which the court refuses (within the meaning of section 234(4) of the Act) to grant relief; and
- (b) any other liability incurred by or attaching to a relevant director in:
  - (i) the actual or purported execution and/or discharge of such director's duties; and/or
  - (ii) the actual or purported exercise of such director's powers; and/or

- (iii) otherwise in relation to such director's duties, powers or office.

Where the company indemnifies any relevant director under this article 168, that indemnity extends to all costs, charges, losses, expenses and liabilities incurred by that relevant director in relation to that liability.

169. The company may in its absolute direction:

- (a) provide a relevant director with funds to meet expenditure incurred or to be incurred by such director in defending any criminal or civil proceedings or in connection with any application under the provisions mentioned in section 205(5) of the Act; and
- (b) do anything to enable such director to avoid incurring that expenditure.

The terms set out in section 205(2) of the Act shall apply to any such provision of funds or other things done.

#### **OBJECTS OF THE COMPANY**

170. The objects of the company are unrestricted.