

Company number  
03541165

THE COMPANIES ACT 2006  
COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS OF THE SHAREHOLDER OF  
1ST COLLECTION SERVICES LIMITED  
(the "Company")

Circulation Date: 18 June, 2018

Unless otherwise defined herein, capitalised words shall have the meaning given to them in the Super Senior RCF and/or Senior Facility Agreement (as defined below and as applicable).

Reference is made to:

- the super senior revolving credit agreement to be entered into between, among others, Hero Acquisitions Limited as parent, the financial institutions listed therein as original lenders and Global Loan Agency Services Limited as agent and GLAS Trust Corporation Limited as security agent (the "**Super Senior RCF**");
- the senior facility agreement to be entered into between, among others, Hero Acquisitions Limited as parent the financial institutions listed therein as original lenders and Global Loan Agency Services Limited as agent (the "**Senior Agent**") and GLAS Trust Corporation Limited as security agent (the "**Senior Facility Agreement**");
- the debenture to be entered into between, amongst others, the Company in favour of the Security Agent;
- the Intercreditor Agreement; and
- various other Senior Finance Documents or Super Senior Finance Documents (as each term is defined in the Intercreditor Agreement) and certain various other ancillary documents relating to the Super Senior RCF and/or the Senior Facility Agreement (including directors' and officers' certificates, fee letters, closing payment letters, shareholder resolutions and certain other documents),

together the "**Documents**", copies of which have been received by the undersigned.

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 the undersigned, being the holder of the entire issued share capital of the Company and who, at the date of these resolutions, would be the only member entitled to attend and vote at a general meeting of the Company declares that the resolutions numbered 1 – 4 below shall have effect as ordinary resolutions of the Company and the resolution numbered 5 below shall have effect as a special resolution, in each case as if passed by the Company in general meeting duly convened and held:

FRIDAY



A16 \*A7806G14\* #246  
22/06/2018  
COMPANIES HOUSE

## ORDINARY RESOLUTIONS

1. That the Documents and any and all other documents or agreements which in the discretion of the Company are or may be necessary or expedient in connection with the entry into the Documents are hereby approved.
2. That the terms of the transactions contemplated by and the execution, delivery and performance or adoption by the Company (as applicable) of the Documents and of any related documentation are hereby approved, in each case, with such amendments thereto as any director of the Company may in their absolute discretion approve.
3. That having considered the terms of the Documents, it was concluded that the entry into the Documents (including giving the guarantees and security) by the Company is in the best interests of the Company's business and the entry into by the Company of the proposed transactions substantially set out in the Documents is to the commercial benefit and advantage of the Company and will promote the success of the Company for the benefit of its members as a whole.
4. That a director of the Company may have an interest by virtue of being a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company, and no authorisation by the board of directors of the Company shall be required in respect of any such interest, and that any step taken or act done by any director of the Company in connection with the Documents and/or the transactions contemplated thereby prior to the date of these resolutions is hereby approved, authorised and ratified.

## SPECIAL RESOLUTIONS

5. That the articles of association of the Company be replaced in their entirety with the form of articles attached to this resolution as Annex A.

For the purposes of this resolution, "**Relevant Company**" shall mean:

- (a) the Company;
- (b) any subsidiary undertaking of the Company;
- (c) any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking;
- (d) any body corporate promoted by the Company; or
- (e) any body corporate in which the Company is otherwise directly or indirectly interested,

and "**subsidiary undertaking**" and "**parent undertaking**" shall be construed in accordance with sections 1161 and 1162 of the Companies Act 2006.

*[Intentionally left blank]*

## **AGREEMENT**

Please read the notes accompanying this document before you signify your agreement to the resolutions.

The undersigned being the sole eligible member of the Company who at the date of the circulation of these resolutions is entitled to vote on the above resolutions hereby irrevocably agrees to those resolutions indicated above:



**HSS Hire Service Group Limited**

Date 18 June, 2018

## NOTES

1. You can choose to agree to all of the resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document as indicated and returning to the Company in hard copy or in electronic form.
2. *If you do not agree to all of the resolutions you do not need to do anything; you will not be deemed to agree if you fail to reply.*
3. Your agreement to the resolutions, once indicated, may not be revoked. If sufficient agreement has not been received by the date 28 days from the Circulation Date (as stated above) for the resolutions to pass then they will lapse.
4. If you are signing this document on behalf of a member of the Company under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

*of 1<sup>st</sup> Collection Services Limited*  
as at 18 June 2018

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THE COMPANIES ACT 2006  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
of 1<sup>st</sup> Collection Services Limited  
(the “**Company**”)

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

1.1 In these articles (“**articles**”), unless the context requires otherwise:

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

“**alternate director**” has the meaning given in article 20;

“**appointor**” has the meaning given in article 20;

“**bankruptcy**” means individual insolvency proceedings and includes similar proceedings in a jurisdiction other than England and Wales;

“**board**” shall mean the board of directors of the Company from time to time;

“**capitalised sum**” has the meaning given in article 45;

“**certificate**” means a paper certificate evidencing a person’s title to specified shares or other securities;

“**chairman**” has the meaning given in article 12;

“**chairman of the meeting**” has the meaning given in article 48;

“**clear days**” means, in relation to a period of notice or otherwise, that period excluding the day on which the notice or other document is received or deemed to be received and the day for which it is sent or on which it is to take effect;

“**corporate representative**” has the meaning given in article 58;

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

“**distribution recipient**” has the meaning given in article 39;

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

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

“**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;



**“Fund”** means any unit trust, investment trust, investment company, limited partnership, general partnership or other collective investment scheme or any body corporate or other entity, in each case the assets of which are managed professionally for investment purposes;

**“group”** means the Company and every subsidiary and holding company of the Company and of each such subsidiary and holding company;

**“group company”** means any company which is a member of the group;

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

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

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

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

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

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

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

**“persons entitled”** has the meaning given in article 45;

**“proxy notice”** has the meaning given in article 56;

**“proxy notification address”** has the meaning given in article 57;

**“senior holder”** has the meaning given in article 39;

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

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

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

**“transfer”** in relation to any share, means any sale, transfer, assignment, pledge, charge or other disposal of any share or any interest in that share, and **“transferred”** has a similar meaning;

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

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

- 1.2 Unless already defined in these articles, words or expressions contained in these articles bear the same meaning as in the Act.
- 1.3 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 1.4 References to any statutory provision or statute include all modifications thereto and all re-enactments (with or without modification) thereof and all subordinate legislation made thereunder in each case for the time being in force, unless expressly stated otherwise.

- 1.5 A member is “**present**” at a meeting if the member (being an individual) attends (otherwise than by his duly appointed proxy) or if the member (being a corporation) attends by its duly authorised corporate representative or if the member attends by his duly appointed proxy.
- 1.6 The *ejusdem generis* principle of construction shall not apply. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.
- 1.7 The headings in these articles do not affect their interpretation or construction.
- 1.8 In these articles, words importing one gender shall include each gender and a reference to a “spouse” shall include a reference to a civil partner under the Civil Partnership Act 2004.
- 1.9 No regulations or model articles contained in any statute or subordinate legislation apply as the articles of the Company.

## **2. LIABILITY OF MEMBERS**

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

### **DIRECTORS**

## **3. DIRECTORS' GENERAL AUTHORITY**

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

## **4. MEMBERS' RESERVE POWER**

- 4.1 *The members may, by special resolution, direct the directors to take, or refrain from taking, specified action or actions.*
- 4.2 No such special resolution and no alteration of the articles invalidates anything which the directors have done before the resolution is passed or the articles are altered (as appropriate).

## **5. DIRECTORS MAY DELEGATE**

- 5.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
- 5.1.1 to such person or committee;
  - 5.1.2 by such means (including by power of attorney or otherwise);
  - 5.1.3 to such an extent;
  - 5.1.4 in relation to such matters or territories; and
  - 5.1.5 on such terms and conditions
- as they think fit.
- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

- 5.4 The power to delegate under this article includes a power to delegate the determination of any fee, remuneration or other benefit which may be paid or provided to any director.
- 5.5 Where a provision in the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee or a member of a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee or a member of that committee.

## **6. COMMITTEES**

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

## **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 7.1 Subject to article 7.2, any decision of the directors must be either a majority decision at a meeting of the directors or a decision taken in accordance with article 8.
- 7.2 If the Company has only one director for the time being that director may (for so long as he remains the sole director) exercise all the powers conferred on the directors by the articles by any means permitted under the Act. For the purpose of article 11, the quorum for the transaction of business by a sole director is one, and all other provisions of the articles apply with any necessary modification (unless a provision expressly provides otherwise).

## **8. UNANIMOUS DECISIONS**

- 8.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 8.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- 8.3 References in this article to “**eligible directors**” are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- 8.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## **9. CALLING A DIRECTORS' MEETING**

- 9.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 9.2 Save as provided by article 9.3, notice of a directors' meeting must be given to each director, but need not be in writing.
- 9.3 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, and notice of the waiver may be given before or after the meeting is held. Where such notice is given after the meeting has been held, that does not invalidate the meeting or any business conducted at it.

## **10. PARTICIPATION IN DIRECTORS' MEETINGS**

- 10.1 Directors “**participate**” in a directors' meeting, or part of a directors' meeting, when:
  - 10.1.1 the meeting has been called and takes place in accordance with the articles; and
  - 10.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 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 at the location of any of the participants*.

## **11. QUORUM FOR DIRECTORS' MEETINGS**

- 11.1 Subject to article 11.4, at a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Subject to article 7.2, article 11.3 and article 15.3.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- 11.3 For the purposes of any meeting (or part of a meeting) held to authorise a director's conflict, if there is only one director other than the conflicted director, the quorum for the meeting (or part of the meeting) shall be one.
- 11.4 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:
  - 11.4.1 to appoint further directors; or
  - 11.4.2 to call a general meeting so as to enable the members to appoint further directors.
- 11.5 If a director ceases to be a director at a board meeting, he can continue to be present and to act as a director and be counted in the quorum until the end of the meeting if no other director objects and if otherwise a quorum of directors would not be present.

## **12. CHAIRING OF DIRECTORS' MEETINGS**

- 12.1 The directors may appoint a director to chair their meetings.
- 12.2 The person so appointed for the time being is known as the “**chairman**”.
- 12.3 The directors may terminate the chairman's appointment at any time.
- 12.4 *If the chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, the participating directors may appoint one of themselves to chair it.*

## **13. NO CASTING VOTE**

*The chairman or other director chairing the meeting shall not have a second or casting vote.*

## **14. RECORDS OF DECISIONS TO BE KEPT**

- 14.1 The board must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the directors.
- 14.2 The board shall keep minutes of all shareholder meetings, all board meetings and meetings of committees of the board. The minutes must include the name of the directors present.

- 14.3 Any such minutes if purporting to be signed by the chairman of the meeting at which the proceedings were held by the chairman of the next meeting shall be evidence of the matters stated in such minutes without any future proof.

## **15. DIRECTORS' INTERESTS**

### **15.1 Group Companies**

A director shall be authorised for the purposes of section 175 of the Act to act or continue to act as a director of the Company notwithstanding that at the time of his appointment or subsequently he also:

- 15.1.1 holds office as a director of any other group company;
- 15.1.2 holds any other office, employment or engagement with any other group company;
- 15.1.3 participates in any scheme, transaction or arrangement for the benefit of the employees or former employees of the Company or any other group company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme); or
- 15.1.4 is interested directly or indirectly in any shares or debentures (or any rights to acquire shares or debentures) in the Company or in any other group company.

### **15.2 Directors' interests other than in relation to transactions or arrangements with the Company – authorisation under section 175 of the Act**

- 15.2.1 The directors may authorise any matter proposed to them which would, if not so authorised, involve a breach of duty by a director under section 175 of the Act.
- 15.2.2 Any authorisation under article 15.2.1 will be effective only if:
  - (a) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration; and
  - (b) the matter was agreed to without such directors voting or would have been agreed to if such directors' votes had not been counted.
- 15.2.3 If, at a meeting at which the relevant matter is considered, there are insufficient directors to form a quorum pursuant to article 15.2.2(a), one director entitled to vote on the matter under consideration shall constitute a quorum for that purpose.
- 15.2.4 The directors may give any authorisation under article 15.2.1 upon such terms as they think fit. The directors may vary or terminate any such authorisation at any time.
- 15.2.5 For the purposes of this article 15, a conflict of interest includes a conflict of interest *and duty and a conflict of duties*, and *interest* includes both *direct and indirect* interests.

### **15.3 Confidential information and attendance at directors' meetings**

- 15.3.1 In the exercise of his duties a director shall not be restricted by any duty of confidentiality to the Company from providing information regarding the Company to any holding company of the Company and the proper performance of the director's duties to the Company under the Act.

15.3.2 A 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 if he:

- (a) fails to disclose any such information to the directors or to any director or other officer or employee of, or consultant to, the Company; or
- (b) does not use or apply any such information in performing his duties as a director of the Company.

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 15.3 applies only if the existence of that relationship has been authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.2 (as applicable) or authorised by the members (subject, in any such case, to the terms upon which such authorisation was given).

15.3.3 Where the existence of a director's relationship with another person has been authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.3 or authorised by the members and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, 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 if, at his discretion or at the request or direction of the directors or any committee of the directors, he:

- (a) absents himself from a directors' meeting or a meeting of a committee of directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed, or from the discussion of any such matter at a directors' meeting or otherwise; or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by or on behalf of the Company or for such documents and information to be received and read by a professional adviser on his behalf,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.

15.3.4 The provisions of articles 15.3.1 to 15.3.3 are without prejudice to any equitable principle or rule of law which may excuse the director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under the articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in article 15.3.3, in circumstances where such attendance or receipt would otherwise be required under the articles.

#### 15.4 **Declaration of interests in proposed or existing transactions or arrangements with the Company**

15.4.1 A director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement.

- 15.4.2 A director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under article 15.4.1.
- 15.4.3 Any declaration required by article 15.4.1 may (but need not) be made:
- (a) at a directors' meeting;
  - (b) by notice in writing in accordance with section 184 of the Act; or
  - (c) by general notice in accordance with section 185 of the Act.
- 15.4.4 Any declaration required by article 15.4.2 must be made:
- (a) at a directors' meeting;
  - (b) by notice in writing in accordance with section 184 of the Act; or
  - (c) by general notice in accordance with section 185 of the Act.
- 15.4.5 If a declaration made under article 15.4.1 or 15.4.2 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under article 15.4.1 or 15.4.2, as appropriate.
- 15.4.6 A director need not declare an interest under this article 15:
- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (b) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware);
  - (c) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a directors' meeting or by a committee of the directors appointed for the purpose under the articles; or
  - (d) if the director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware).

**15.5 Ability to enter into transactions and arrangements with the Company notwithstanding interest**

Subject to the provisions of the Act, and provided that either (i) he has declared the nature and extent of any direct or indirect interest of his in accordance with this article 15, or (ii) article 15.5.6 applies and no declaration of interest is required, or (iii) article 15.1 applies, a director notwithstanding his office:

- 15.5.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;
- 15.5.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the directors may decide; or
- 15.5.3 may be a director or other officer of, or employed or engaged by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested.

#### **15.6 Remuneration and benefits**

A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office, employment or engagement or from any transaction or arrangement or from any interest in any body corporate:

- 15.6.1 the acceptance, entry into or existence of which has been authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.2, or authorised by the members (subject, in any such case, to any terms upon which such authorisation was given); or
- 15.6.2 which he is permitted to hold or enter into pursuant to article 15.6 or otherwise pursuant to the articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act. No transaction or arrangement authorised or permitted pursuant to articles 15.1, 15.2 or 15.5, or otherwise pursuant to these articles, shall be liable to be avoided on the ground of any such interest or benefit.

#### **15.7 Voting by directors**

- 15.7.1 Without prejudice to the obligation of a director to disclose his interest in accordance with this article 15, a director may vote at any directors' meeting or meeting of a committee of directors on any resolution concerning a matter in relation to which he has, directly or indirectly, an interest or duty, subject always to this article 15 and the terms on which any authorisation is given under this article 15. Subject to the foregoing, the relevant director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted.
- 15.7.2 Subject to article 15.7.3, if a question arises at a directors' meeting or meeting of a committee of directors as to the right of any director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 15.7.3 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 part of the meeting) for voting or quorum purposes.

#### **16. INTERESTS OF ALTERNATE DIRECTORS**

For the purposes of article 15, in relation to an alternate director, the interest of his appointer is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. Article 15 applies to an alternate director as if he were a director of the Company.

#### **17. 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.*

#### **18. METHODS OF APPOINTING DIRECTORS**

- 18.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
  - 18.1.1 by ordinary resolution;



18.1.2 by a decision of the directors; or

18.1.3 by a notice of appointment given in accordance with article 18.2.

18.2 The holder or holders of more than 50 per cent. of the shares for the time being in issue may at any time and from time to time appoint one or more person or persons to be (a) director(s) and/or remove any director or directors from office. The appointment or removal is effected by notice in writing to the Company signed by or on behalf of such holder or holders. The notice may consist of several documents in similar form each signed by or on behalf of one or more such holders. The appointment or removal takes effect immediately upon receipt of the notice by the Company in accordance with article 62 or on such later date (if any) specified in the notice.

## 19. TERMINATION OF DIRECTOR'S APPOINTMENT

19.1 A person ceases to be a director as soon as:

19.1.1 that person ceases to be a director in accordance with any provision of the Act or is prohibited from being a director by law;

19.1.2 a bankruptcy order is made against that person;

19.1.3 a composition or arrangement is made with that person's creditors generally in satisfaction of that person's debts;

19.1.4 he is removed from office under section 168 of the Act;

19.1.5 he is removed from office by notice addressed to him at his last known address and signed by all the other directors of the Company;

19.1.6 he is removed from office by notice given under article 18.2;

19.1.7 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that person has become physically or mentally incapable of acting as a director and may remain so for more than 3 months or that person has been suffering from mental or physical ill health and the board resolves that his office be vacated; or

19.1.8 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

19.2 *If a person ceases to be a director for any reason, he shall also cease to be a member of any committee or sub-committee of the board.*

## 20. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

20.1 Any director (other than an alternate director) (the “**appointor**”) may appoint any person (whether or not a director) to be an alternate director.

20.2 In the absence of the alternate director's appointor, the alternate director may exercise the powers and carry out the responsibilities of his appointor in relation to the taking of decisions by the directors.

20.3 Any person appointed as an alternate director under this article may act as an alternate director for more than one director.

20.4 An alternate director has the same rights, in relation to any decision of the directors (including written resolutions), as the alternate's appointor.

- 20.5 Except as otherwise provided in the articles, alternate directors:
- 20.5.1 *are deemed for all purposes to be directors;*
  - 20.5.2 are liable for their own acts and omissions;
  - 20.5.3 are subject to the same restrictions as their appointors; and
  - 20.5.4 are not deemed to be the agents of or for their appointors.
- 20.6 Subject to the articles, a person who is an alternate director, but not a director:
- 20.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
  - 20.6.2 may participate in decisions of the directors *(but only if his appointor is eligible to participate in relation to that decision and does not himself participate);* and
  - 20.6.3 may sign or otherwise indicate his agreement to a written resolution (but only if his appointor has not signed or otherwise indicated his agreement to it in circumstances where he would have been entitled to do so).
- 20.7 On any decision of the directors, in addition to his own vote, a director who is also an alternate director is entitled (in the absence of his appointor) to a separate vote on behalf of his appointor (provided that his appointor is eligible to participate in relation to that decision).
- 20.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director. An alternate director shall not be entitled to receive from the Company *any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as the appointor may by notice in writing to the Company from time to time direct.*
- 20.9 An alternate director's appointment as an alternate terminates:
- 20.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate; or
  - 20.9.2 when an event occurs in relation to the alternate which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director; or
  - 20.9.3 when the alternate director's appointor ceases to be a director for whatever reason.

## **21. DIRECTORS' REMUNERATION**

- 21.1 Directors may undertake any services for the Company that the directors decide.
- 21.2 Directors are entitled to such remuneration as the directors determine:
- 21.2.1 for their services to the Company as directors; and
  - 21.2.2 for any other service which they undertake for the Company.

- 21.3 Subject to the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office of 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 directors for his services as they think fit. Any appointment of a director to an executive office shall determine if he ceases to be a director *but without prejudice to any claim for damages he may have for breach of the contract of service between the director and the Company.*
- 21.4 Subject to the articles, a director's remuneration may:
- 21.4.1 take any form; and
- 21.4.2 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.
- 21.5 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 21.6 The directors may provide benefits, whether by the payment of gratuities or pensions or by *insurance or otherwise, for any director who has held but no longer holds any executive office* or employment with the Company or with any body corporate which is or has been a group company or a predecessor in business of the Company or of any such group company, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (before as well as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

**22. EXPENSES OF DIRECTORS, ALTERNATE DIRECTORS AND THE COMPANY SECRETARY**

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

- 22.1 meetings of directors or committees of directors;
- 22.2 general meetings; or
- 22.3 separate meetings of the holders of any class of shares or of debentures of the Company,
- or otherwise in connection with the exercise of their powers and the discharge of their duties and responsibilities in relation to the Company.

**SHARES AND DISTRIBUTIONS**

**23. ALL SHARES TO BE FULLY PAID**

- 23.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 23.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

**24. POWER TO ISSUE DIFFERENT CLASSES OF SHARE**

- 24.1 Subject to the Act and the articles, but without prejudice to the rights attached to any existing share, the Company may issue a further class or classes of shares with such rights or restrictions as may be determined by ordinary resolution.
- 24.2 Subject to the Act, 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.
- 24.3 If rights and restrictions attaching to shares are determined by ordinary resolution or by the directors pursuant to this article, those rights and restrictions shall apply in place of any rights or restrictions that would otherwise apply by virtue of the Act in the absence of any provisions in the articles, as if those rights and restrictions were set out in the articles.

## **25. PRE-EMPTION RIGHTS**

- 25.1 Pursuant to section 567 of the Act, sections 561 and 562 of the Act do not apply to any allotment of equity securities made by the Company.
- 25.2 Unless the members by special resolution direct otherwise or in the circumstances described in article 25.3 below, all shares which the directors propose to issue must first be offered to the members in accordance with the provisions of this article:
  - 25.2.1 shares must be offered to members in proportion (or as nearly as may be) to their existing holdings;
  - 25.2.2 the offer shall be made by notice specifying the number of shares offered and designating a period (of not less than 14 days) following which the offer, if not accepted, will be deemed to be declined;
  - 25.2.3 after the expiration of the period referred to in article 25.2.2 above, those shares so deemed to be declined shall be offered to the persons who have, within such period, accepted all the shares offered to them in proportion (or as nearly as may be) to their existing holdings; and such further offer shall be made on the same terms, in the same manner and limited by the same period as the original offer; and
  - 25.2.4 any shares not accepted pursuant to the offer referred to in article 25.2.2 and the further offer referred to in article 25.2.3 or not capable of being offered except by way of fractions shall be under the control of the directors, who may allot, grant options over or dispose of the same to such persons, on such terms, and in such manner as they think fit.
- 25.3 The requirements of articles 25.2.1 to 25.2.4 shall not apply to an issue of shares to (a) a sole member of the Company or (b) members in proportion (or as nearly as may be) to their existing holdings.

## **26. PURCHASE OF OWN SHARES**

- 26.1 Subject to the Act and without prejudice to any other rights the Company may have to purchase its own shares under the Act, the Company may purchase its own shares out of capital otherwise than in accordance with Chapter 5 of the Act up to an aggregate purchase price in a financial year of the lower of:
  - 26.1.1 £15,000; or
  - 26.1.2 the nominal value of 5% of its fully paid share capital as at the beginning of the financial year.

## **27. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES**

- 27.1 The Company may pay any person a commission in consideration for that person:
  - 27.1.1 subscribing, or agreeing to subscribe, for shares; or
  - 27.1.2 procuring, or agreeing to procure, subscriptions for shares.
- 27.2 Subject to the Act, any such commission may be paid:
  - 27.2.1 in cash, or in fully paid shares or other securities, or partly in one way and partly in the other; and
  - 27.2.2 in respect of a conditional or an absolute subscription.

## **28. 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.

## **29. SHARE CERTIFICATES**

- 29.1 It shall be a condition of issue of every share in the Company that no share certificate need be issued in respect of such share or on the transfer of such share unless requested by the holder of such share and sections 769(1) and 776(1) of the Act shall not apply to the Company.
- 29.2 If so requested by the holder of a share, the Company must issue to such member, within two months of such request, free of charge, one or more certificates in respect of the shares which *that member holds*.
- 29.3 Every certificate must specify:
  - 29.3.1 in respect of how many shares, of what class, it is issued;
  - 29.3.2 the nominal value of those shares;
  - 29.3.3 that those shares are fully paid; and
  - 29.3.4 any distinguishing numbers assigned to them.
- 29.4 No certificate may be issued in respect of shares of more than one class.
- 29.5 *If more than one person holds a share, only one certificate may be issued in respect of it and delivery of a certificate to the senior holder shall constitute delivery to all of them.*
- 29.6 Certificates must be executed in accordance with the Act or issued in such other manner as the directors may approve.

## **30. CONSOLIDATED AND SEPARATE SHARE CERTIFICATES**

- 30.1 Subject to the provisions of article 29.1, when a member's holding of shares of a particular class increases, the Company may issue that member with:
  - 30.1.1 a single, consolidated certificate in respect of all the shares of a particular class which that member holds; or
  - 30.1.2 a *separate certificate in respect of only those shares by which that member's holding has increased.*

- 30.2 Subject to the provisions of article 29.1, when a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after the reduction. However, the Company need not (in the absence of a request from the member) issue any new certificate if:
- 30.2.1 all the shares which the member no longer holds as a result of the reduction; and
  - 30.2.2 none of the shares which the member retains following the reduction.
- were, immediately before the reduction, represented by the same certificate.
- 30.3 A member may request the Company, in writing, to replace:
- 30.3.1 the member's separate certificates with a consolidated certificate; or
  - 30.3.2 the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.
- 30.4 When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- 30.5 A consolidated certificate or separate certificates must not be issued unless any certificates which they are to replace have first been returned to the Company for cancellation or the holder has complied with such conditions as to evidence and indemnity as the directors decide.

### **31. REPLACEMENT SHARE CERTIFICATES**

- 31.1 If a certificate issued in respect of a member's shares is:
- 31.1.1 damaged or defaced; or
  - 31.1.2 said to be lost, stolen or destroyed,
- that member is entitled to be issued with a replacement certificate in respect of the same shares.
- 31.2 A member exercising the right to be issued with such a replacement certificate:
- 31.2.1 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 31.2.2 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

### **32. GENERAL PROVISIONS RELATING TO SHARE TRANSFERS**

- 32.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 32.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 32.3 The Company may retain any instrument of transfer which is registered.
- 32.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

- 32.5 Subject to article 32.6, the directors may refuse to register a transfer unless the instrument of transfer is:
- 32.5.1 in favour of no more than four joint transferees;
  - 32.5.2 duly stamped or certificated or otherwise shown to the satisfaction of the directors to be exempt from stamp duty (if required); and
  - 32.5.3 delivered to the registered office or such other place as the directors may decide and is accompanied by the certificate for the shares to be transferred (or an indemnity for any certificate not in the transferor's possession in such form as the directors may decide) and/or such other evidence as the directors may reasonably require to prove the title of the transferor and the execution by him of the transfer or, if the transfer is signed by some other person on his behalf, the authority of that person to do so.
- 32.6 The directors shall not decline to register any transfer of shares, nor suspend the registration thereof, where such transfer is in favour of:
- 32.6.1 a chargee or mortgagee of any shares;
  - 32.6.2 any nominee of a chargee or mortgagee of any shares;
  - 32.6.3 a purchaser of any shares from a chargee or mortgagee (or its nominee) of any shares; and
  - 32.6.4 a purchaser of any shares from any receiver, administrative receiver or administrator appointed by a chargee or mortgagee of any shares.
- 32.7 Other than in circumstances where the refusal to register a transfer is expressly permitted or required by these articles, the directors may not refuse to register the transfer of a share, and shall promptly approve for registration each transfer which is presented to them for registration. In particular the directors will register a transfer where the majority holder so directs in writing.
- 32.8 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 together with their reasons for the refusal within the time limit prescribed by the Act.

### **33. TRANSMISSION OF SHARES**

- 33.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.
- 33.2 Subject to article 33.3, any transmittee who produces such evidence of entitlement to shares as the director may properly require:
- 33.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - 33.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.
- 33.3 Transmittees do not have the right to receive notice of, attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

### **34. EXERCISE OF TRANSMITTEES' RIGHTS**

- 34.1 Transmittes who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 34.2 If the transmittes wishes to have a share transferred to another person, the transmittes must execute an instrument of transfer in respect of it.
- 34.3 *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 transmittes has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.*

### **35. TRANSMITTEE BOUND BY PRIOR NOTICE**

If a notice is given to a member in respect of shares and a transmittes (or any person nominated by the transmittes under article 33.2) is entitled to those shares, the transmittes (and any person nominated by the transmittes under article 33.2) is bound by the notice if it was given to the member before the transmittes's name (or the name of any person nominated under article 33.2) has been entered in the register of members.

### **36. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES**

- 36.1 This article applies where:
  - 36.1.1 there has been a consolidation, consolidation and division or sub-division of shares; and
  - 36.1.2 as a result, members are entitled to fractions of shares.
- 36.2 The directors may:
  - 36.2.1 sell the shares representing the fractions to any person including (subject to the Act) *the Company for the best price reasonably obtainable;*
  - 36.2.2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
  - 36.2.3 distribute the net proceeds of sale in proportion to their fractional entitlements among the holders of the shares.
- 36.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 36.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

### **37. PROCEDURE FOR DECLARING DIVIDENDS**

- 37.1 Subject to the Act, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 37.2 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.
- 37.3 No dividend may be declared or paid unless it is in accordance with members' respective rights and interests.
- 37.4 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.



- 37.5 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*.
- 37.6 Subject to the Act, 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.
- 37.7 *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.*

### 38. CALCULATIONS OF DIVIDENDS

- 38.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:
  - 38.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
  - 38.1.2 apportioned and paid proportionally to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 38.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, it shall rank for dividend accordingly.
- 38.3 *For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.*

### 39. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 39.1 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:
  - 39.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 39.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 39.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing or as the directors may otherwise decide; or
  - 39.1.4 any other means of payment as the directors agree with the distribution recipient in writing or as the directors may otherwise decide.
- 39.2 In this article, the “**distribution recipient**” means, in respect of a share in respect of which a dividend or other sum is payable:
  - 39.2.1 the holder of the share; or
  - 39.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members (the “**senior holder**”); or
  - 39.2.3 *if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the person entitled to such share.*

#### **40. NO INTEREST ON DISTRIBUTIONS**

The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- 40.1 *the terms on which the share was issued; or*
- 40.2 *the provisions of another agreement between the holder of that share and the Company.*

#### **41. DEDUCTION FROM DIVIDENDS**

The directors may deduct from any dividend payable on or in respect of a share all sums of money presently payable by the holder to the Company on any account whatsoever.

#### **42. UNCLAIMED DISTRIBUTIONS**

- 42.1 All dividends or other sums which are:
  - 42.1.1 *payable in respect of shares; and*
  - 42.1.2 *unclaimed after having been declared or become payable,*  
*may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.*
- 42.2 *The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.*
- 42.3 *If:*
  - 42.3.1 *12 years have passed from the date on which a dividend or other sum became due for payment; and*
  - 42.3.2 *the distribution recipient has not claimed it,*  
*the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.*

#### **43. NON-CASH DISTRIBUTIONS**

- 43.1 *Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors (or, in the case of an interim dividend the directors may) decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).*
- 43.2 *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:*
  - 43.2.1 *fixing the value of any assets;*
  - 43.2.2 *paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and*
  - 43.2.3 *vesting any assets in trustees.*

#### **44. 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:

- 44.1 the share has more than one holder; or
- 44.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

#### **45. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

- 45.1 Subject to the articles and the Act, the directors may, if they are so authorised by an ordinary resolution:
  - 45.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve or any other reserve or fund (whether or not it is available for distribution); and
  - 45.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.
- 45.2 Capitalised sums must be applied:
  - 45.2.1 on behalf of the persons entitled; and
  - 45.2.2 in the same proportions as a dividend would have been distributed to them.
- 45.3 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.
- 45.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 45.5 Subject to the articles, the directors may:
  - 45.5.1 apply capitalised sums in accordance with articles 45.3 and 45.4 partly in one way and partly in another;
  - 45.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - 45.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## DECISION-MAKING BY MEMBERS

### 46. NOTICE, ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 46.1 The directors may call general meetings and, on the requirement of members pursuant to the Act, shall call a general meeting (i) within 21 days from the date on which the directors become subject to the requirement, and (ii) to be held on a date not more than 28 days after the date of the notice convening the meeting.
- 46.2 General meetings shall be called by at least 14 clear days' notice (that is, excluding the day of the general meeting and the day on which the notice is given).
- 46.3 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 90 per cent in nominal value of the shares giving that right.
- 46.4 The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted. If the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as a special resolution shall also be specified. The notice of the meeting shall also specify, with reasonable prominence, the members' rights to appoint one or more proxies under section 324 of the Act.
- 46.5 Subject to the articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member (if the Company has been notified of their entitlement) and to the directors and auditors of the Company.
- 46.6 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 duly been given to the person from whom he derives his title.
- 46.7 The accidental omission to give notice of a general meeting or to send, supply or make available any document or information relating to a meeting to, or the non receipt of any such notice, document or information by, a person entitled to receive any such notice, document or information shall not invalidate the proceedings at that meeting.
- 46.8 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.
- 46.9 A person is able to exercise the right to vote at a general meeting when:
- 46.9.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 46.9.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 46.10 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.
- 46.11 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.
- 46.12 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.

**47. QUORUM FOR GENERAL MEETINGS**

- 47.1 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.
- 47.2 The number of persons who shall constitute a quorum shall be:
- 47.2.1 *if the Company has only one member, one member present and entitled to vote; and*
- 47.2.2 *if the Company has more than one member, any two members present and entitled to vote.*
- 47.3 Where the Company has more than one member entitled to attend and vote at a meeting, one member present at the meeting and entitled to vote as:
- 47.3.1 *the duly authorised corporate representative of two or more corporations, each of which is a member entitled to attend and vote upon the business to be transacted at the meeting; or*
- 47.3.2 *a proxy duly appointed by two or more members entitled to attend and vote upon the business to be transacted at the meeting*
- is a quorum.*

**48. CHAIRING GENERAL MEETINGS**

- 48.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 48.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start:
- 48.2.1 *the directors present; or*
- 48.2.2 *(if no directors are present) the meeting*
- may 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.*
- 48.3 *The person chairing a meeting in accordance with this article is referred to as the “**chairman of the meeting**”.*

**49. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

- 49.1 Directors may attend and speak at general meetings, whether or not they are members.
- 49.2 The chairman of the meeting may permit other persons who are not:
- 49.2.1 *members in the Company; or*
- 49.2.2 *otherwise entitled to exercise the rights of members in relation to general meetings*
- to attend and speak at a general meeting.*

## **50. ADJOURNMENT**

- 50.1 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 meeting shall be dissolved if convened on the requisition of members. In any other case, the chairman of the meeting must adjourn it.
- 50.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 50.2.1 *the meeting consents to an adjournment; or*
  - 50.2.2 *it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.*
- 50.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 50.4 When adjourning a general meeting, the chairman of the meeting must:
- 50.4.1 *either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and*
  - 50.4.2 *have regard to any directions as to the time and place of any adjournment which have been given by the meeting.*
- 50.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it:
- 50.5.1 *to the same persons to whom notice of the Company's general meetings is required to be given; and*
  - 50.5.2 *containing the same information which such notice is required to contain.*
- 50.6 *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.*

## **51. VOTING: GENERAL**

- 51.1 *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.*
- 51.2 Subject to any rights or restrictions attached to any shares, whether or not such rights or restrictions are set out in the articles, on a vote on a resolution:
- 51.2.1 on a show of hands at a meeting:
    - (a) every member present (but not being present by proxy) and entitled to vote on the resolution has one vote; and
    - (b) every proxy present who has been duly appointed by a member entitled to vote on the resolution has one vote, except where:
      - (ii) that proxy has been duly appointed by more than one member entitled to vote on the resolution; and
      - (iii) the proxy has been instructed:

- (A) by one or more of those members to vote for the resolution and by one or more of those members to vote against the resolution; or
- (B) by one or more of those members to vote in the same way on the resolution (whether for or against) and one or more of those members has given the proxy discretion as to how to vote,

in which case, the proxy has one vote for and one vote against the resolution; and

51.2.2 on a poll taken at a meeting, every member present and entitled to vote on the resolution has one vote in respect of each share held by the relevant member or members.

- 51.3 In the case of joint holders of a share, only the vote of the senior holder who votes (and any proxy or corporate representative duly authorised by the relevant member) may be counted by the Company.
- 51.4 In the case of equality of votes on a show of hands or a poll, the chairman of the meeting shall not be entitled to a casting vote.
- 51.5 The Company is not obliged to verify that a proxy or corporate representative of a member has acted in accordance with the terms of his appointment and any failure to so act shall not affect the validity of any proceedings at a meeting of the Company.

## **52. ERRORS AND DISPUTES**

- 52.1 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.
- 52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

## **53. POLL VOTES**

- 53.1 A poll on a resolution may be demanded:
  - 53.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 53.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 53.2 Subject to the Act, a poll may be demanded by:
  - 53.2.1 the chairman of the meeting;
  - 53.2.2 the directors;
  - 53.2.3 two or more persons present and entitled to vote on the resolution;
  - 53.2.4 a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- 53.3 A demand for a poll may be withdrawn if:
  - 53.3.1 the poll has not yet been taken; and
  - 53.3.2 the chairman of the meeting consents to the withdrawal.

A demand for a poll which is withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

#### **54. PROCEDURE ON A POLL**

- 54.1 Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs.
- 54.2 The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.
- 54.3 *The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.*
- 54.4 A poll on:
  - 54.4.1 the election of the chairman of the meeting; or
  - 54.4.2 a question of adjournmentmust be taken immediately.
- 54.5 A poll on any other question must be taken within 30 days of the poll being demanded.
- 54.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- 54.7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
- 54.8 In any other case, at least 7 clear days' notice must be given specifying the time, date and place at which the poll is to be taken.

#### **55. APPOINTMENT OF PROXY**

A member may appoint another person as his proxy to exercise all or any of his rights to attend and to speak and to vote (both on a show of hands and on a poll) on a resolution or amendment of a resolution, or on other business arising, at a meeting or meetings of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member.

#### **56. CONTENT OF PROXY NOTICES**

- 56.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:
  - 56.1.1 states the name and address of the member appointing the proxy;
  - 56.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - 56.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 56.1.4 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.
- 56.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.



- 56.3 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.
- 56.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 56.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 56.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **57. DELIVERY OF PROXY NOTICES**

- 57.1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 57.2 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.
- 57.3 Subject to articles 57.4 and 57.5, a proxy notice must be delivered to a proxy notification address at any time before the start of the general meeting or adjourned meeting to which it relates.
- 57.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address at any time before the time appointed for the taking of the poll.
- 57.5 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:
- 57.5.1 to a proxy notification address at any time before the time appointed for the taking of the poll to which it relates; or
  - 57.5.2 at the meeting at which the poll was demanded, to the chairman of the meeting, the company secretary (if any) or any director.
- 57.6 A proxy notice which is not delivered in accordance with this article shall be invalid.
- 57.7 The directors may require the production of any evidence which they consider necessary to determine the validity of any proxy notice.

## **58. CORPORATE REPRESENTATIVES**

In accordance with the Act, a corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company (a "**corporate representative**"). A director, the company secretary (if any) or other person authorised for the purpose by the company secretary (if any) may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

## **59. TERMINATION OF AUTHORITY**

The termination of authority of a person to act as proxy or as the duly authorised corporate representative of a member does not affect whether he counts in deciding whether there is a quorum at a meeting, the validity of a poll demanded by him at a meeting, or the validity of a vote given by that person unless notice of the termination is given in writing by or on behalf of the member by whom or on whose behalf the corporate representative was appointed or the proxy notice was given and is received by the Company at the office or, in the case of a proxy, the proxy notification address:

- 59.1 at any time before the start of the general meeting or adjourned general meeting to which it relates;
- 59.2 (in the case of a poll not taken during the meeting but taken not more than 48 hours before it was demanded) at any time before the start of the general meeting or adjourned meeting to which it relates, or at the meeting at which the poll was demanded; or
- 59.3 (in the case of a poll taken more than 48 hours after it was demanded) at any time before the time appointed for taking the poll.

## **60. AMENDMENTS TO RESOLUTIONS**

- 60.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - 60.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
  - 60.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 60.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 60.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 60.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 60.3 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.

## **61. RESOLUTIONS IN WRITING**

A resolution of the members (or of a class of members) of the Company may be passed as a written resolution in accordance with the Act.

### **ADMINISTRATIVE ARRANGEMENTS**

## **62. COMMUNICATIONS BY AND TO THE COMPANY**

- 62.1 Save where the articles expressly require otherwise, any notice, document or information to be sent or supplied by or to the Company pursuant to the Act, the articles or otherwise may be sent or supplied in accordance with the Act. Nothing in this article affects any provision of the Act or any other legislation or any other provision of the articles requiring notices, documents or information to be delivered in a particular way.
- 62.2 The Company may deliver a notice or other document to a member:

- 62.2.1 by delivering it by hand to the address recorded for the member on the register or at such other address as the member may notify the Company in writing from time to time;
- 62.2.2 by sending it by first class post (air mail if overseas) in a prepaid envelope to the address recorded for the member on the register or at such other address as the member may notify the Company in writing from time to time;
- 62.2.3 by fax (except a share certificate) to such fax number as the member may notify the Company in writing from time to time;
- 62.2.4 by electronic mail (except a share certificate) to such e-mail address as the member may notify the Company in writing from time to time; or
- 62.2.5 by a website (except a share certificate) the address of which shall be notified to the member in writing.
- 62.3 In the case of joint holders of a share, all notices, documents and information shall be given to the joint holder whose name is shown first in the register of members in respect of the joint holding and notice so given shall be sufficient to all joint holders.
- 62.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given on:
  - 62.4.1 the same day as delivery in the case of communications delivered by hand;
  - 62.4.2 48 hours after posting in the case of communications sent by ordinary first class post to an address in the United Kingdom;
  - 62.4.3 6 days after posting in the case of communications sent by air mail;
  - 62.4.4 on completion of its transmission in a complete and legible form if sent by facsimile;
  - 62.4.5 at the time that it was sent if sent by electronic mail; and
  - 62.4.6 when the material was first made available on the website, or if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website, if sent by a website.
- 62.5 A member present at a meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
- 62.6 A notice may be given by the Company to the transmittee 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, 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 death or bankruptcy had not occurred.

### **63. COMPANY SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement.

### **64. COMPANY SEALS**

- 64.1 Any common seal may only be used by the authority of the directors.

- 64.2 The directors may decide by what means and in what form any common seal is to be used.
- 64.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 64.4 For the purposes of this article, an authorised person is:
- 64.4.1 any director;
  - 64.4.2 the company secretary (if any); or
  - 64.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

## **65. CHANGE OF NAME**

The directors may change the name of the Company.

## **66. RECORDS OF DECISIONS TO BE KEPT**

- 66.1 The directors or the company secretary (if any) must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision:
- 66.1.1 of all appointments of officers made by the directors;
  - 66.1.2 of every decision taken by the directors, including by written resolution, and any committee of the directors; and
  - 66.1.3 of all proceedings of general meetings of the Company and of the holders of any class of shares in the Company.
- 66.2 The Company shall also keep records comprising copies of all resolutions of members passed otherwise than at general meetings and of details provided to the Company of decisions taken by a sole member. All such records must be kept for at least 10 years from the date of the meeting or resolution or decision (as appropriate).

## **67. 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.*

## **68. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

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

## **69. WINDING UP OF THE COMPANY**

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

## **70. INDEMNITY**

- 70.1 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company or an associated company (other than a person (whether or not an officer of the Company or an associated company) engaged by the Company or an associated company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a director or such other officer of the Company or an associated company) in relation to the Company or an associated company or their affairs provided that such indemnity shall not apply in respect of any liability incurred by him:
- 70.1.1 to the Company or to any associated company;
  - 70.1.2 to pay a fine imposed in criminal proceedings;
  - 70.1.3 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);
  - 70.1.4 in defending any criminal proceedings in which he is convicted;
  - 70.1.5 in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or
  - 70.1.6 in connection with any application under any of the following provisions in which the court refuses to grant him relief:
    - (a) section 661(3) or (4) of the Act (acquisition of shares by innocent nominee); or
    - (b) section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct).
- 70.2 In article 70.1.4, 70.1.5 or 70.1.6 the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:
- 70.2.1 if not appealed against, at the end of the period for bringing an appeal; or
  - 70.2.2 if appealed against, at the time when the appeal (or any further appeal) is disposed of.
- An appeal is disposed of if:
- (a) it is determined and the period for bringing any further appeal has ended; or
  - (b) it is abandoned or otherwise ceases to have effect.
- 70.3 Without prejudice to article 70.1 or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the directors may in their absolute discretion think fit, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct) or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a director to avoid incurring any such expenditure.

## **71. INSURANCE**

To the extent permitted by the Act, the directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was a director, alternate director or a secretary (if any) of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect), indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.