

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
MANN + HUMMEL VOKES AIR FILTRATION LIMITED



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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
MANN + HUMMEL VOKES AIR FILTRATION LIMITED
(registered number: 04928454)
("the company")
(as adopted by special resolution on 18 FEBRUARY 2020)

MODEL ARTICLES, INTERPRETATION & LIMITED LIABILITY

1. EXCLUSION OF MODEL ARTICLES

The model articles of association for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended at the date of adoption of these articles shall not apply to the company.

2. INTERPRETATION

- 2.1 Without prejudice to any other definitions contained elsewhere in these articles, the following words and expressions shall in these articles have the meanings set out or referred to opposite each respectively (unless the context otherwise requires):

"the Act"	means the Companies Act 2006;
"articles"	means these articles of association;
"Associated Company"	means the any holding company or parent undertaking from time to time of the company, or any subsidiary or subsidiary undertaking from time to time of the company or of such other company or undertaking, or any other company which, in relation to the company or such a company or undertaking, is from time to time an "associated company" (as defined in section 25 of the Corporation Tax Act 2010);
"bankruptcy"	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
"chairman"	has the meaning given in article 14 (<i>Chairing Of Directors' Meetings</i>);

"chairman of the meeting"	has the meaning given in article 46 (<i>Chairing General Meetings</i>);
"Conflicting Situation"	has the meaning given in article 16 (<i>Directors' Actual Or Potential Conflicts</i>);
"Conflicting Transaction"	has the meaning given in article 17 (<i>Directors' Transactions Or Arrangements With The Company</i>);
"Connected"	has the meaning given to such word by sections 1122 to 1123 of the Corporation Taxes Act 2010;
"director"	means a director of the company, and includes any person occupying the position of director, by whatever name called;
"distribution recipient"	has the meaning given in article 36 (<i>Payment Of Dividends And Other Distributions</i>);
"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;
"eligible director"	means in relation to any matter a director who would be entitled to vote on the matter concerned at a meeting of directors, but excluding any director whose vote is not to be counted in respect of the matter concerned;
"fully paid"	in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
"hard copy form"	has the meaning given in section 1168 of the Act;
"holder"	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
"instrument"	means a document in hard copy form;
"ordinary resolution"	has the meaning given in section 282 of the Act;
"Ordinary Shares"	means ordinary voting shares of £1.00 each in the capital of the company;
"paid"	means paid or credited as paid;
"participate"	in relation to a directors' meeting, has the meaning given in article 12 (<i>Participation In Directors' Meetings</i>);

- “Permitted Conflicting Situation”** means, in respect of any director, that director at any time:
- (a) being employed or otherwise engaged by any Associated Company;
 - (b) holding office, including office as a director, of any Associated Company;
 - (c) being a member of any pension scheme operated from time to time by any Associated Company;
 - (d) holding shares in any Associated Company; or
 - (e) participating in any share option, bonus or other incentive scheme operated from time to time by any Associated Company.
- “proxy notice”** has the meaning given in article 52 (*Content Of Proxy Notices*);
- “shareholder”** means a person who is the holder of a share;
- “shares”** means shares in the company;
- “special resolution”** has the meaning given in section 283 of the Act;
- “subsidiary”** has the meaning given in section 1159 of the Act;
- “transmittee”** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
- “writing”** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
- 2.2 Save as otherwise specifically provided in these articles and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles.
- 2.3 Any reference in these articles to any provision of any statute or to any other legislative provision shall be deemed to include a reference to any statutory or other legislative modification or re-enactment of that provision from time to time in force.
- 2.4 In these articles, where the context so permits, words importing the singular number shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter and vice versa; words importing persons shall include bodies corporate, unincorporated associations and partnerships.
- 2.5 The headings to each of these articles are inserted for ease of reference only and shall not affect the construction or interpretation of these articles.
- 2.6 A reference in these articles to an **“article”** followed by a particular number is a reference to the relevant article of these articles bearing that number.

- 2.7 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

3. **LIABILITY OF MEMBERS**

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

DIRECTORS' AUTHORITY & DELEGATION

4. **NUMBER OF DIRECTORS**

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

5. **DIRECTORS' GENERAL AUTHORITY**

- 5.1 Subject to these 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.

- 5.2 The directors may resolve to change the name of the company.

- 5.3 No alteration of these articles invalidates anything which the directors have done which would have been valid had that alteration not been made.

6. **SHAREHOLDERS' RESERVE POWER**

- 6.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

- 6.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

7. **DIRECTORS MAY DELEGATE**

- 7.1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles: to such person or committee; by such means (including by power of attorney); to such an extent (including collaterally with or to the exclusion of their own powers); in relation to such matters or territories; and on such terms and conditions; as they think fit.

- 7.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

- 7.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

8. **COMMITTEES**

- 8.1 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 these articles which govern the taking of decisions by directors.

- 8.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them.

DECISION MAKING BY DIRECTORS

9. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 9.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 10 (*Unanimous Decisions*).
- 9.2 If the company only has one director and no provision of these articles requires it to have more than one director the general rule does not apply and the director may take decisions without regard to any of the provisions of these articles relating to directors' decision-making.

10. UNANIMOUS DECISIONS

- 10.1 A decision of the directors is taken in accordance with this article 10 when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 10.2 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.
- 10.3 A decision may not be taken in accordance with this article 10 if the eligible directors would not have formed a quorum at such a meeting.

11. CALLING A DIRECTORS' MEETING

- 11.1 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.
- 11.2 Notice of any directors' meeting must indicate:
- 11.2.1 its proposed date and time;
 - 11.2.2 where it is to take place; and
 - 11.2.3 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.
- 11.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 11.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company at any time. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

12. PARTICIPATION IN DIRECTORS' MEETINGS

- 12.1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when the meeting has been called and takes place in accordance with these articles and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 12.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 12.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

13. QUORUM FOR DIRECTORS' MEETINGS

- 13.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 13.2 Subject to article 13.3, the quorum for directors' meetings shall be two eligible directors.
- 13.3 In relation to any proposal to authorise a Conflicting Situation pursuant to article 16 (*Directors' Actual Or Potential Conflicts*) if, other than the director(s) to which the Conflicting Situation relates, there is only one director in office, the quorum shall be one eligible director.
- 13.4 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:
- 13.4.1 to appoint further directors; or
- 13.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

14. CHAIRING OF DIRECTORS' MEETINGS

- 14.1 The directors may appoint a director to chair their meetings.
- 14.2 The person so appointed for the time being is known as the chairman.
- 14.3 The directors may terminate the chairman's appointment at any time.
- 14.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

15. CASTING VOTE

- 15.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- 15.2 Article 15.1 shall not apply in respect of a meeting (or part of a meeting) at which, for the purposes of that meeting (or part of a meeting), the chairman or other director is not an eligible director.

16. DIRECTORS' ACTUAL OR POTENTIAL CONFLICTS

- 16.1 A director who is the subject of a Permitted Conflicting Situation shall not (in accordance with section 180(4)(b) of the Act) be in breach of his or her general duties to the Company merely as a consequence of such Permitted Conflicting Situation.
- 16.2 Without prejudice to article 16.1 but subject to article 16.3, the directors may authorise, subject to such terms and conditions as they think fit (including as regards duration and revocation), to the fullest extent permitted by law, any matter or situation which would or might otherwise result in a director infringing his or her duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or a conflict of duties) including the director accepting or continuing in any office, employment or position in addition to his or her office as a director of the company ("**a Conflicting Situation**").
- 16.3 Any authorisation of a Conflicting Situation pursuant to article 16.2 to be given by the directors at a meeting of the directors will be effective only if:
- 16.3.1 the meeting of the directors is duly convened in accordance with these articles;

- 16.3.2 at such meeting any requirement as to quorum is met without counting the director or directors to whom the authorisation relates; and
 - 16.3.3 the authorisation was agreed to without any such director or directors voting, or would have been agreed to if the votes of all such directors had not been counted.
- 16.4 Where authorisation of a Conflicting Situation pursuant to article 16.2 is to be given by way of a unanimous decision of the directors in accordance with article 10 (*Unanimous Decisions*), the director or directors to whom the authorisation relates shall not be considered 'eligible directors' for the purposes of that article.
- 16.5 Any Conflicting Situation which has been authorised in accordance with article 16.2 shall (unless stated otherwise in the terms of such authorisation) be given on the basis that:
 - 16.5.1 the authorisation may be revoked by the directors at any time by giving the director concerned notice in writing;
 - 16.5.2 the director concerned shall not be required to disclose any confidential information relating to such Conflicting Situation to the company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed to him or her in relation to or in connection with that Conflicting Situation;
 - 16.5.3 the director concerned may (and shall if required by the directors) absent himself or herself from meetings or discussions of the directors at which anything relating to that Conflicting Situation will or may be discussed;
 - 16.5.4 the director concerned may (and shall if required by the directors) decline to review information provided by the company which will or may relate to or be connected to that Conflicting Situation; and
 - 16.5.5 such authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of such Conflicting Situation so authorised.
- 16.6 Where a Conflicting Situation has been authorised by the directors pursuant to article 16.2:
 - 16.6.1 the director concerned shall not, as a result of such Conflicting Situation, be accountable to the company for any remuneration, profit or other benefit which he or she derives from such Conflicting Situation;
 - 16.6.2 the director concerned shall not, as a result of such Conflicting Situation, be accountable to the company for any benefit for which he or she (or a person Connected with him or her) derives from such Conflicting Situation;
 - 16.6.3 any transaction to which the company is a party shall not be liable to be voided or set aside on the grounds of the Conflicting Situation; and
 - 16.6.4 the director concerned shall not, as a result of such Conflicting Situation, breach any of the duties he or she owes to the Company by virtue of sections 171 to 176 of the Act;

provided such director acts in accordance with any terms, limits and conditions as the directors impose in respect of such authorisation (or which are implied by these articles).
- 16.7 The fact that a Conflicting Situation has been authorised by the directors does not negate the requirement for directors to declare the nature and extent of their interest in any excising or proposed transaction or arrangement with company in accordance with the Act and these articles.

17. DIRECTORS' TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

17.1 In accordance with sections 177 and 182 of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company ("**a Conflicting Transaction**") must declare the nature and extent of that interest to the other directors. However, a director need not declare an interest in a Conflicting Transaction:

- 17.1.1 if it cannot reasonably be regarded as giving rise to a conflict of interest;
- 17.1.2 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); or
- 17.1.3 if, or to the extent that, it concerns the terms of his or her service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for that purpose; or
- 17.1.4 if, or to the extent that, he or she is not aware of the Conflicting Transaction or his or her interest in it.

17.2 Subject to the Act and provided he or she has declared to the other eligible directors the nature and extent of any interest of his or hers, a director who is in any way, whether directly or indirectly, interested in a Conflicting Transaction:

- 17.2.1 may continue to be interested in or party to such Conflicting Transaction;
- 17.2.2 shall be entitled to vote at any meeting of the directors or of any committee of the directors of which he or she is a member notwithstanding that it in any way concerns or relates to such Conflicting Transaction and shall therefore be an eligible director for such purposes;
- 17.2.3 shall, whether or not he or she votes, be taken into account in calculating the quorum present at any meeting at which such Conflicting Transaction is to be considered;
- 17.2.4 may be interested in or party to that Conflicting Transaction by virtue of being a director or other officer of, or employed by, or party to a transaction or arrangement with or otherwise interested in, any Associated Company;
- 17.2.5 shall not be accountable to the company for any benefit which he or she (or a person Connected with him or her) derives from such Conflicting Transaction and such Conflicting Transaction shall not be liable to be voided or set aside on the grounds of the director's interest nor shall the receipt of any remuneration, profit or other benefit arising from such Conflicting Transaction constitute a breach by the director of his or her duty under section 176 of the Act.

17.3 Subject to article 17.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

17.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

18. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

19. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

20. METHODS OF APPOINTING DIRECTORS

20.1 Any shareholder or shareholders holding a majority in nominal amount of the share capital of the company which confers the right to attend and vote at general meetings may at any time appoint any person to be a director, whether as an additional director or to fill a vacancy, and may remove from office any director however appointed.

20.2 Any appointment or removal made pursuant to article 20.1 shall be effected by notice in writing to the company signed by the shareholder or shareholders giving it or, in the case of a corporate member, signed by any director or officer thereof or by any person authorised by resolution of the directors or of any other governing body. Any such appointment or removal shall take effect only upon receipt of such written appointment or removal at the registered office or on such later date (if any) specified in the notice. Any such removal shall be without prejudice to any claim which a director may have under any contract between him and the company.

20.3 Otherwise, 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 by ordinary resolution or by a decision of the directors.

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

20.5 For the purposes of article 20.4, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

21. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

21.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;

21.2 a bankruptcy order is made against that person;

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

21.4 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;

21.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

- 21.6 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.

22. DIRECTORS' REMUNERATION

- 22.1 Directors may undertake any services for the company that the directors decide.
- 22.2 Directors are entitled to such remuneration as the directors determine for their services to the company as directors and for any other service which they undertake for the company.
- 22.3 Subject to these articles, a director's remuneration may take any form and 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.
- 22.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 22.5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

23. DIRECTORS' EXPENSES

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

- 23.1 meetings of directors or committees of directors;
- 23.2 general meetings; or
- 23.3 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 responsibilities in relation to the company.

THE COMPANY'S SHARES

24. SHARE CAPITAL

The share capital of the company at the date of adoption of these articles is £13,000,003 divided into 13,000,003 ordinary voting shares of £1.00 each.

25. ALL SHARES TO BE FULLY PAID UP

- 25.1 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.
- 25.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

26. ALLOTMENT OF SHARES

- 26.1 Subject to these articles and to section 551 of the Act, all shares shall be under the control of the directors who may allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and generally on such terms and conditions they think fit.
- 26.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the company and are hereby excluded generally in relation to the allotment by the company of equity securities (as defined in section 560(1) of the Act).

27. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 27.1 Subject to these articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 27.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

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 these 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 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 29.2 Every certificate must specify: in respect of how many shares, of what class, it is issued; the nominal value of those shares; that the shares are fully paid; and any distinguishing numbers assigned to them.
- 29.3 No certificate may be issued in respect of shares of more than one class.
- 29.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 29.5 Certificates must have affixed to them the company's common seal or be otherwise executed in accordance with the Act.

30. REPLACEMENT SHARE CERTIFICATES

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

31. SHARE TRANSFERS

- 31.1 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.
- 31.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 31.3 The company may retain any instrument of transfer which is registered.
- 31.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

- 31.5 The directors shall be obliged to register any transfer of any share so long as it is:
- 31.5.1 lodged at the company's registered office or at such other place as the directors have appointed;
 - 31.5.2 accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf; and
 - 31.5.3 in respect of only one class of share.
- 31.6 The directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer:
- 31.6.1 is to any bank, institution or other person to which shares have been charged by way of security, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (a "**Secured Institution**"), or
 - 31.6.2 is delivered to the company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
 - 31.6.3 is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,
- and the directors shall forthwith register any such transfer of shares upon receipt and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the company or any of them and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them for any valuable consideration or otherwise.
32. **TRANSMISSION OF SHARES**
- 32.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 32.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- 32.2.1 may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person; and
 - 32.2.2 subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 32.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.
33. **EXERCISE OF TRANSMITTEES' RIGHTS**
- 33.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

33.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

33.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

34. **TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS & OTHER DISTRIBUTIONS

35. **PROCEDURE FOR DECLARING DIVIDENDS**

35.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

35.2 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.

35.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

35.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

35.5 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.

35.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

35.7 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.

36. **PAYMENT OF DIVIDENDS & OTHER DISTRIBUTIONS**

36.1 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:

36.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

36.1.2 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;

36.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

36.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

36.2 In these articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

36.2.1 the holder of the share; or

36.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

36.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

37. **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:

37.1 the terms on which the share was issued; or

37.2 the provisions of another agreement between the holder of that share and the company.

38. **UNCLAIMED DISTRIBUTIONS**

38.1 All dividends or other sums which are payable in respect of shares and 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.

38.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

38.3 If twelve years have passed from the date on which a dividend or other sum became due for payment and 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.

39. **NON-CASH DISTRIBUTIONS**

39.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

39.2 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 fixing the value of any assets, paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and vesting any assets in trustees.

40. **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:

40.1 the share has more than one holder; or

40.2 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;

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

CAPITALISATION OF PROFITS

41. AUTHORITY TO CAPITALISE & APPROPRIATION OF CAPITALISED SUMS

- 41.1 Subject to these articles, the directors may, if they are so authorised by an ordinary resolution:
- 41.1.1 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; and
 - 41.1.2 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.
- 41.2 Capitalised sums must be applied:
- 41.2.1 on behalf of the persons entitled; and
 - 41.2.2 in the same proportions as a dividend would have been distributed to them.
- 41.3 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.
- 41.4 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.
- 41.5 Subject to these articles the directors may:
- 41.5.1 apply capitalised sums in accordance with articles 41.3 and 41.4 partly in one way and partly in another;
 - 41.5.2 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
 - 41.5.3 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.

SHAREHOLDER RESOLUTIONS & MEETINGS

42. WRITTEN RESOLUTIONS

- 42.1 Written resolutions of the company may be proposed by the directors in accordance with section 291 of the Act. The shareholders may require the company to circulate a written resolution in accordance with section 292 to 295 of the Act.
- 42.2 For the purposes of section 297 of the Act, a written resolution will lapse if it is not passed before the end of such period as the directors may determine (provided such period is detailed on the copy of the resolution circulated pursuant to section 291 of the Act), but in the absence of such determination the period shall be 28 days beginning with the circulation date of the resolution.
- 42.3 In the case of a shareholder which is a body corporate, the signature of a director or the secretary and, in the case of joint holders of a share, the signature of any one of such joint holders, shall be sufficient for the purpose of signifying a shareholder's agreement to a written resolution.

43. ANNUAL GENERAL MEETINGS

In accordance with the Act, the company is not required to hold an annual general meeting.

44. ATTENDANCE & SPEAKING AT GENERAL MEETINGS

44.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

44.2 A person is able to exercise the right to vote at a general meeting when:

44.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

44.2.2 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.

44.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

44.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

44.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

45. QUORUM FOR GENERAL MEETINGS

45.1 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.

45.2 The quorum for general meetings shall be one person being either an individual who is a shareholder of the company; a person duly authorised to act as the representation of a corporation in relation to the meeting; or a person appointed as a proxy of a shareholder in relation to a meeting.

46. CHAIRING GENERAL MEETINGS

46.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

46.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

46.2.1 the directors present; or

46.2.2 (if no directors are present), the meeting;

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

46.3 The person chairing a meeting in accordance with this article is referred to as "**the chairman of the meeting**".

47. ATTENDANCE & SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

47.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

47.2 The chairman of the meeting may permit other persons who are not:

47.2.1 shareholders of the company; or

47.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

48. ADJOURNMENT

48.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

48.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

48.2.1 the meeting consents to an adjournment; or

48.2.2 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.

48.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

48.4 When adjourning a general meeting, the chairman of the meeting must:

48.4.1 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

48.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

48.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

48.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

48.5.2 containing the same information which such notice is required to contain;

but otherwise it shall not be necessary to give any notice of the meeting.

48.6 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.

49. VOTING

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 these articles.

50. ERRORS & DISPUTES

50.1 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.

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

51. POLL VOTES

- 51.1 A poll on a resolution may be demanded:

- 51.1.1 in advance of the general meeting where it is to be put to the vote; or
- 51.1.2 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.

- 51.2 A poll may be demanded by:

- 51.2.1 the chairman of the meeting;
- 51.2.2 the directors;
- 51.2.3 two or more persons having the right to vote on the resolution; or
- 51.2.4 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.

- 51.3 A demand for a poll may be withdrawn if:

- 51.3.1 the poll has not yet been taken; and
- 51.3.2 the chairman of the meeting consents to the withdrawal.

- 51.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

52. CONTENT OF PROXY NOTICES

- 52.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- 52.1.1 states the name and address of the shareholder appointing the proxy;
- 52.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- 52.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 52.1.4 is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.

- 52.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

- 52.3 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.

- 52.4 Unless a proxy notice indicates otherwise, it must be treated as:

- 52.4.1 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
- 52.4.2 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.

53. DELIVERY OF PROXY NOTICES

- 53.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 53.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 53.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 53.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

54. AMENDMENTS TO RESOLUTIONS

- 54.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 54.1.1 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
 - 54.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 54.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 54.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 54.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 54.3 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.

ADMINISTRATIVE ARRANGEMENTS

55. MEANS OF COMMUNICATION TO BE USED

- 55.1 Subject to these articles, anything sent or supplied by or to the company under these articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 55.2 Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 55.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

56. COMPANY SEALS

- 56.1 Any common seal may only be used by the authority of the directors.
- 56.2 The directors may decide by what means and in what form any common seal is to be used.
- 56.3 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.
- 56.4 For the purposes of this article, an authorised person is: any director of the company; the company secretary (if any); or any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

57. 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 shareholder.

58. 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.

DIRECTORS' INDEMNITIES & INSURANCE

59. INDEMNITY & INSURANCE

- 59.1 Without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 59.1.1 each Relevant Officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a Relevant Officer in the actual or purported execution and/or discharge of his or her duties; or in relation to them and in relation to any Relevant Company's activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act); including (in each case) any liability incurred by him or her in defending any civil or criminal proceedings, in which judgment is given in his or her favour or in which he or she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his or her part or in connection with any application in which the court grants him or her, in his or her capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to any Relevant Company's affairs; and
- 59.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in article 59.1.1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure.
- 59.2 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any Relevant Officer in respect of any Relevant Loss.
- 59.3 This article 59 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 59.4 In this article 59:

"Relevant Company"

means the company, any holding company or parent undertaking (as defined in sections 1159 and 1162 of the Act) from time to time of the company or in which the company or any such holding company or parent undertaking or any of the predecessors of the company or of any such holding company or parent undertaking has or had at any time any interest, whether direct or indirect, or which is or was at any time in any way allied to or associated with the company or any subsidiary or subsidiary undertaking (as defined in section 1159 and section 1162 of the Act) of the company or of such other company or undertaking;

"Relevant Loss"

means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to any Relevant Company or any pension fund or employees' share scheme of any Relevant Company; and

"Relevant Officer"

means any director or other officer or former director or other officer of any Relevant Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Relevant Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.