

Company No 08821323

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS**

of

**DIPPENHALL LIMITED**

Passed on *12 October* 2015

The following resolutions were duly passed pursuant to Chapter 2 of Part 13 of the Companies Act 2006 on *12 OCTOBER* 2015 by members of the Company representing the required majority of total voting rights of eligible members as special resolutions

**SPECIAL RESOLUTIONS**

- 1 That new Articles of Association in the form annexed to this Resolution and for the purpose of identification marked "A" are approved and adopted in substitution for and to the exclusion of the existing Articles of Association of the Company
- 2 That the 200 Ordinary Shares of £1 each in issue in the capital of the Company be converted and re-designated into 100 Ordinary A Shares of £1 each and 100 Ordinary B Shares of £1 each (the "**New Ordinary Shares**"), such that
  - 2 1 the 100 Ordinary Shares of £1 each registered in the name of Alistair Angus Mackintosh be converted into and re-designated as 100 Ordinary A Shares of £1 each,
  - 2 2 the 100 Ordinary Shares of £1 each registered in the name of Sara Jane Mackintosh be converted into and re-designated as 100 Ordinary B Shares of £1 each, and

such New Ordinary Shares each having the respective rights and being subject to the conditions set out in the Articles of Association of the Company to be adopted pursuant to resolution 1 above

 x  
Alistair Angus Mackintosh - Director

SATURDAY



A10 17/10/2015 #176  
COMPANIES HOUSE

Company number 08821323

**THE COMPANIES ACT 2006**

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**A PRIVATE COMPANY LIMITED BY  
SHARES**

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**ARTICLES OF ASSOCIATION  
OF  
DIPPENHALL LIMITED**

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**MILLS & REEVE**

PART 1  
INTERPRETATION

**1     Defined terms**

1 1     In the Articles, unless the context requires otherwise

“**Accountants**” means the auditors of the company for the time being or, if the company has lawfully not appointed auditors, its accountants for the time being, or, if in either case such firm is unable or unwilling to act in any particular case, such independent firm of chartered accountants jointly appointed by the company and the Seller or, in the absence of agreement between them on the identity of such accountants within 30 business days of one party serving details by written notice of a suggested firm of accountants on the other, an independent firm of accountants appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or any successor body (acting as an expert and not as an arbitrator and accordingly any provisions of law or statute relating to arbitration shall not apply),

“**appointor**” has the meaning given in Article 23 1,

“**Articles**” means the company’s articles of association,

“**associated company**” means any subsidiary or holding company of the company or any other subsidiary of the company’s holding company,

“**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,

“**Board**” means the board of directors of the company for the time being,

“**business day**” means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

“**CA 2006**” means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force,

“**chairman**” has the meaning given in Article 12,

“**chairman of the meeting**” has the meaning given in Article 53,

“**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 45,

“**Distributable Profits**” means the distributable profits of the company from time to time as such expression is defined in section 736 of CA 2006,

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

**“electronic form”** has the meaning given in section 1168 of the CA 2006,

**“Eligible Director”** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

**“fully paid”** in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company,

**“hard copy form”** has the meaning given in section 1168 of the CA 2006,

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

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

**“Maximum Entitlement”** means as such term is defined in Article 32 1 2,

**“Ordinary A Shares”** means Ordinary A Shares of £1 00 each in the share capital of the company,

**“Ordinary B Shares”** means Ordinary B Shares of £1 00 each in the share capital of the company,

**“Ordinary C Shares”** means Ordinary C Shares of £1 00 each in the share capital of the company,

**“Ordinary D Shares”** means Ordinary D Shares of £1 00 each in the share capital of the company,

**“Ordinary E Shares”** means Ordinary E Shares of £1 00 each in the share capital of the company,

**“Ordinary F Shares”** means Ordinary F Shares of £1 00 each in the share capital of the company,

**“ordinary resolution”** has the meaning given in section 282 of the CA 2006,

**“Original Subscription Price”** means for the Preference Shares, £1 00 per Preference Share,

**“Ordinary Shares”** means the Ordinary A Shares, Ordinary B Shares, Ordinary C Shares, Ordinary D Shares, Ordinary E Shares and Ordinary F Shares or any of them as the context requires,

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

**“participate”**, in relation to a directors’ meeting, has the meaning given in Article 10,

**“Permitted Transfer”** means a transfer of a Share permitted under Article 38,

**“Permitted Transferee”** means a transferee of a Share permitted under Article 38,

**“Preference Shares”** means redeemable preference shares of £1 00 each in the share capital of the company,

**"proxy notice"** has the meaning given in Article 59,

**"relevant officer"** means any director or other officer of the company or an associated company, but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

**"Sale Price"** has the meaning given in Article 40 4 2,

**"Sale Shares"** means the shares specified or deemed to be specified for sale in a Transfer Notice,

**"Seller"** means the transferor of Shares pursuant to a Transfer Notice,

**"shareholder"** means a person who is the holder of a Share,

**"Shares"** means the Ordinary Shares and the Preference Shares (and **"Share"** shall mean any of them as the context shall require),

**"special resolution"** has the meaning given in section 283 of the CA 2006,

**"subsidiary"** has the meaning given in section 1159 of the CA 2006,

**"The Mackintosh Family Discretionary Settlement"** means the discretionary settlement made by Alistair Angus Mackintosh and Sara Jane Mackintosh,

**"Transfer Notice"** means a notice in writing given or deemed to have given to the company where that shareholder is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares,

**"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

- 1 2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the CA 2006 as in force on the date when these Articles become binding on the company
- 1 3 Headings in these Articles are for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
  - 1 5 1 any subordinate legislation from time to time made under it, and
  - 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

- 1 6 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
- 1 7 Words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate or unincorporate
- 1 8 The model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to this Company

**2 Liability of shareholders**

- 2 1 The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

**3 Directors' general authority**

Subject to the Articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company

**4 Directors may delegate**

- 4 1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles

4 1 1 to such person or committee,

4 1 2 by such means (including by power of attorney),

4 1 3 to such an extent,

4 1 4 in relation to such matters or territories, and

4 1 5 on such terms and conditions

as they think fit

- 4 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

- 4 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

## **5 Committees**

- 5 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
- 5 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them

### **DECISION-MAKING BY DIRECTORS**

## **6 Power to change the name**

- 6 1 The company may change its name by resolution of the directors

## **7 Directors to take decisions collectively**

- 7 1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8
- 7 2 If

7 2 1 the company only has one director for the time being, and

7 2 2 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making

## **8 Unanimous decisions**

- 8 1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 8 2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing
- 8 3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting

## **9 Calling a directors' meeting**

- 9 1 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice
- 9 2 Notice of any directors' meeting must indicate
- 9 2 1 its proposed date and time,
- 9 2 2 where it is to take place, and

- 9 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
- 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 not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it
- 10 Participation in directors' meetings**
- 10 1 Subject to the Articles, 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 wherever any of them is
- 11 Quorum for directors' meetings**
- 11 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 11 2 Subject to Article 7 2 and to Article 11 3, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors one of whom shall be the Chairman
- 11 3 For the purposes of any directors meeting (or part of a meeting) held pursuant to Article 15 to authorise a director's conflict, if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 11 4 If despite Article 11 3 the Eligible Directors participating in the meeting still do not constitute a quorum or there are no Eligible Directors then the meeting must be adjourned to enable the shareholders to authorise by special resolution a directors conflict
- 12 Chairing of directors' meetings**
- 12 1 For as long as Alistair Angus Mackintosh ("Alistair") is a director of the company, he will have the right to be chairman of the Board, or to nominate an alternative. Upon ceasing to be a director, Alistair shall have the right to nominate a director to be the new chairman. A nomination may be made in a Board meeting or in writing and the directors shall be bound by any nomination of Alistair



- 12 2 Should Alistair cease to be a director without first nominating a director to be chairman, or should the nominee refuse to accept the position as chairman, Sara Jane Mackintosh ("**Sara**") shall for as long as she is a director of the company have the right to be chairman or to nominate a director to be the new chairman. A nomination may be made in a Board meeting or in writing and the directors shall be bound by any nomination of Sara.
- 12 3 Should Sara not nominate a director to be chairman, or should the nominee refuse to accept the position as chairman, the shareholders shall appoint the new and subsequent chairmen by ordinary resolution. The shareholders may remove any chairman, other than Alistair or Sara, by ordinary resolution.
- 12 4 The person so appointed for the time being is known as the chairman.
- 12 5 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.
- 13 Casting vote**
- 13 1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting shall have a casting vote.
- 13 2 Article 13 1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an Eligible Director for the purposes of that meeting (or part of a meeting).
- 14 Transactions or other arrangements with the company**
- 14 1 Subject to the provisions of CA 2006 and provided he has declared the nature and extent of his interest, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company, notwithstanding his office
- 14 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- 14 1 2 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- 14 1 3 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise (directly or indirectly) interested,
- 14 1 4 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 CA 2006)) derives from any such contract, transaction or arrangement or from any office or employment or from any interest in any body corporate which he is permitted to hold or enter into by virtue of Articles 14 1 1, 14 1 2 or 14 1.3 and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration

or other benefit constitute a breach of his duty under section 176 CA 2006, and

- 14 1 5 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) and shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, on any matter referred to in Articles 14 1 1 to 14 1 3 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any such resolution his vote shall be counted
- 14 2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting
- 14 3 Subject to Article 14 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
- 14 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

## **15 Directors' Interests**

15 1 For the purposes of section 175 CA 2006

- 15 1 1 the directors shall have the power to authorise by resolution of the directors, and/or
- 15 1 2 the shareholders, shall have the power to authorise by special resolution of the shareholders

and in each case in accordance with the provisions of these Articles, any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the company (a "**Conflict**")

Any such authorisation of the matter by the directors will be effective only if

- 15 1 3 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and
- 15 1 4 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted

Any such authorisation of the matter by the shareholders will be effective only if the director in question shall have provided the shareholders with such details as are

necessary for the shareholders to decide whether or not to authorise the Conflict, together with any such additional information as may be requested by the shareholders

- 15 2 The directors (or the shareholders as the case may be, if the shareholders are authorising the Conflict) may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they may expressly impose but such authorisation is otherwise given to the fullest extent permitted. The directors (or the shareholders as the case may be, in the event that the shareholders authorised the Conflict) may vary or terminate any such authorisation at any time, but this will not affect anything done by the director in question prior to such variation or termination, in accordance with the terms of such authorisation

For the purposes of the Articles, 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 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. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the directors or the shareholders pursuant to Article 15 1. 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 CA 2006 because he fails

15 3 1 to disclose any such information to the board or to any director or other officer or employee of the company, and/or

15 3 2 to use or apply any such information in performing his duties as a director of the company

- 15 4 Where the existence of a director's relationship with another person has been approved by the directors or the shareholders (as the case may be) pursuant to Article 15 1 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 CA 2006 because he

15 4 1 absents himself from meetings of the board 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 meeting or otherwise, and/or

15 4 2 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 the company and/or for such documents and information to be received and read by a professional adviser,

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

- 15 5 The provisions of Articles 15 3 and 15 4 are without prejudice to any equitable principle or rule of law which may excuse the director from

- 15 5 1 disclosing information, in circumstances where disclosure would otherwise be required under these articles, or
- 15 5 2 attending meetings or discussions or receiving documents and information as referred to in Article 15 4, in circumstances where such attendance or receipt of such documents and information would otherwise be required under these Articles
- 15 6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors (or the shareholders as the case may be) in accordance with these Articles (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds
- 15 7 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the company, and no authorisation under Article 15 1 shall be necessary in respect of any such interest

**16 Records of decisions to be kept**

- 16 1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors
- 16 2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

**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

**APPOINTMENT OF 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, or
- 18 1 2 by a decision of the directors, or
- 18 1 3 in accordance with article 18 2
- 18 2 For so long as persons who are the trustees of The Mackintosh Family Discretionary Settlement are the registered holders of Ordinary Shares and where they hold all or some of such shares on behalf of The Mackintosh Family Discretionary Settlement, such persons shall be entitled to appoint at any time and from time to time by the delivery of a written notice to the company up to two people as directors of the

company The trustees of The Mackintosh Family Discretionary Settlement shall be entitled to remove any such person from office by giving written notice of such to the company and the company shall give effect to the provisions of such notice

18 3 For the purposes of article 18 2, such persons who are the trustees of The Mackintosh Family Discretionary Settlement shall be required to provide to the Board suitable evidence of such position

18 4 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint up to two natural persons (including a transmittee who is a natural person), who are willing to act and are permitted to do so, to be directors

18 5 For the purposes of Article 18 4, where two 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

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

19 1 A person ceases to be a director as soon as

19 1 1 that person is removed from office under Article 20,

19 1 2 that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law,

19 1 3 a bankruptcy order is made against that person,

19 1 4 a composition is made with that person's creditors generally in satisfaction of that person's debts,

19 1 5 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,

19 1 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

## **20 Removal of directors**

20 1 Subject to Article 18 2 and without prejudice to the provisions of sections 168 and 169 CA 2006, the company may by ordinary resolution remove any director before the expiry of his period of office and may, if thought fit, by ordinary resolution appoint another person in his place Removal of a director in accordance with this Article shall be without prejudice to any claim that director may have for damages for breach of any contract between him and the company

## **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 Articles, a director's remuneration may
  - 21 3 1 take any form, and
  - 21 3 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 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day
- 21 5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officer or employees of the company's subsidiaries or of any other body corporate in which the company is interested

## **22 Directors' expenses**

- 22 1 The company may pay any reasonable expenses which the directors (including alternate directors) and the secretary (if any) properly incur in connection with their attendance at
  - 22 1 1 meetings of directors or committees of directors,
  - 22 1 2 general meetings, or
  - 22 1 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

## **23 Appointment and removal of alternate directors**

- 23 1 Any director ("appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
  - 23 1 1 exercise that director's powers, and
  - 23 1 2 carry out that director's responsibilitiesin relation to the taking of decisions by the directors, in the absence of the alternate's appointor
- 23 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors
- 23 3 The notice must

- 23 3 1 identify the proposed alternate, and
- 23 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

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

- 24 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor(s)

- 24 2 Except as the articles specify otherwise, alternate directors

- 24 2 1 are deemed for all purposes to be directors,
- 24 2 2 are liable for their own acts and omissions,
- 24 2 3 are subject to the same restrictions as their appointors, and
- 24 2 4 are not deemed to be agents of or for their appointors

and, in particular, each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

- 24 3 A person who is an alternate director but not a director

- 24 3 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),
- 24 3 2 may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate), and
- 24 3 3 shall not be counted as more than one director for the purposes of Articles 24 3 1 and 24 3 2

- 24 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

- 24 5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

## **25 Termination of alternate directorship**

- 25 1 An alternate director's appointment as an alternate terminates

- 25 1 1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- 25 1 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- 25 1 3 on the death of the alternate's appointor, or
- 25 1 4 when the alternate's appointor's appointment as a director terminates

## **26 Secretary**

- 26 1 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, in each case by a decision of the directors

## **PART 3**

### **SHARES AND DISTRIBUTIONS**

#### **SHARES**

## **27 Issue of shares**

- 27 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company
- 27 2 The directors are generally and unconditionally authorised, for the purpose of section 551 of the CA 2006, to exercise any power of the company to
  - 27 2 1 allot shares in the company, and/or
  - 27 2 2 grant rights to subscribe for or to convert any security into shares in the company ("**Rights**")
 to any person, at any time and subject to any terms and conditions as the directors think proper
- 27 3 The authority referred to in Article 27 2
  - 27 3 1 shall be limited to a maximum nominal amount of £30,000 Ordinary A Shares, £30,000 Ordinary B Shares, £80,000 Ordinary C Shares, £20,000 Ordinary D Shares, £20,000 Ordinary E Shares, £20,000 of Ordinary F Shares and £800,000 Preference Shares,
  - 27 3 2 shall only apply insofar as the company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
  - 27 3 3 may only be exercised for a period of six months from the date of adoption of these Articles, save that in accordance with section 551(7) CA 2006 the company may before the expiry of such period make an offer or agreement which would or might require shares to be allotted or Rights to be granted



after such expiry and the directors may allot shares or grant Rights pursuant to such offer or agreement as if this authority had not expired

- 27 4 No Share shall be issued to any infant, bankrupt or person who, by reason of that person's mental health, is subject to a court order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have

**28 Powers in relation to shares**

- 28 1 The company may by special resolution

28 1 1 consolidate and divide all or any of the company's issued share capital into shares with a larger nominal value than the Shares,

28 1 2 sub-divide all or any of the company's issued share capital into shares with a smaller nominal value than the Shares,

28 1 3 purchase its Ordinary Shares,

28 1 4 reduce its share capital, any share premium account or any other reserve

**29 Procedure for disposing of fractions of shares**

- 29 1 This article 29 applies where

29 1 1 there has been a consolidation and division or a sub-division of shares, and

29 1 2 as a result, shareholders are entitled to fractions of shares

- 29 2 The directors may

29 2 1 sell the shares representing the fractions to any person including the company for the best price reasonably obtainable otherwise than in accordance with the procedures set out in Articles 37 to 40 inclusive,

29 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

29 2 3 distribute the net proceeds of sale in due proportion among the shareholders of the shares

- 29 3 Where any shareholder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

- 29 4 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

- 29 5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

**30     Exclusion of statutory pre-emption rights**

- 30 1     Pursuant to section 567 CA 2006, the provisions of section 561 CA 2006 (existing shareholders' right of pre-emption) and section 562 CA 2006 (communication of pre-emption offers to shareholders) shall not apply to an allotment of equity securities (as defined in section 560 CA 2006) made by the company

**31     All shares to be fully paid up**

- 31 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
- 31 2     This does not apply to Shares taken on the formation of the company by the subscribers to the company's memorandum

**32     Share rights**

- 32 1     The rights attaching to the Ordinary Shares and the Preference Shares shall be as follows

32 1 1     Voting

- (i)     The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the company and, if they are present in person or by proxy they shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Ordinary Share of which they are the holder,
- (ii)     The Preference Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting of the company, save that the alteration or abrogation of any of the special rights attached to the Preference Shares may only be made with
  - (A)     the prior consent in writing of the holders of at least (i) 75% of the Ordinary Shares for the time being in issue, and (ii) 75% of the Preference Shares for the time being in issue, or
  - (B)     the sanction of special resolutions passed at general meetings of the holders of shares of both the Ordinary Shares and the Preference Shares (each class voting separately as a class)

32 1 2     Profits and Capital Gains

- (i)     In respect of the Ordinary Shares
  - (A)     prior to any distribution of income, profits or gains by the company the Board shall
    - 1)     determine the Distributable Profits of the company, and

2) in respect of each class of Ordinary Shares calculate such class of Ordinary Shares' maximum entitlement to the Distributable Profits ("the **Maximum Entitlement**") as follows

a) in respect of the first calculation of the Maximum Entitlement since incorporation of the company the Distributable Profits shall be apportioned using the following percentages (the "**Percentage Entitlement**"):

<u>Class of Ordinary Shares</u>	<u>Percentage Entitlement</u>
Ordinary A Shares	15%
Ordinary B Shares	15%
Ordinary C Shares	40%
Ordinary D Shares	10%
Ordinary E Shares	10%
Ordinary F Shares	10%

b) in respect of subsequent apportionments of Distributable Profits

i) amounts distributed in respect of each class of Ordinary Shares at any time shall reduce that class of Ordinary Shares' Maximum Entitlement by the amount distributed in respect of such class of Ordinary Shares,

ii) if the Distributable Profits are equal to or less than the current aggregate Maximum Entitlement of each class of Ordinary Shares then the Maximum Entitlement of each class of Ordinary Shares shall be reduced such that the aggregate Maximum Entitlement of all classes of Ordinary Shares is equal to the aggregate Distributable Profits at that time. The reduction shall be apportioned in the same percentages as each such classes of Ordinary Shares' Percentage Entitlement and the Maximum Entitlement of each class

of Ordinary Shares shall be reduced accordingly. For the avoidance of doubt, reductions which reduce a class of Ordinary Shares' Maximum Entitlement below zero shall be recorded as negative,

- iii) if the Distributable Profits exceed the current aggregate Maximum Entitlements, any excess shall be apportioned amongst all classes of Ordinary Shares in the same percentages as each such class of Ordinary Shares' Percentage Entitlement and the Maximum Entitlement of each class of Ordinary Shares shall be increased accordingly.

(B) distributions may be made in respect of the Ordinary Shares (or any class of them) solely at the Board's discretion, provided there are sufficient Distributable Profits to do so and provided that at no time may the amount distributed to any class of Ordinary Shares or in respect of which a dividend is declared exceed that class of Ordinary Shares' accrued Maximum Entitlement at that time,

(C) for the avoidance of doubt, the rights to income, profits or gains in respect of Ordinary Shares shall attach to and be transferable with the Ordinary Shares. Should any holder of Ordinary Shares transfer all or any of such Shares, the provisions relating to the Maximum Entitlement attaching to such transferred Shares shall transfer with such Shares.

- (ii) The holders of the Preference Shares shall not, in respect of such Preference Shares, be entitled to participate in the profits of the company save as set out in Article 32.1.3,

#### 32.1.3 Return of capital

On a return of capital on a winding up, reduction of capital or otherwise (other than a redemption of Preference Shares pursuant to Article 32.1.4), the assets of the company remaining after the payment of its liabilities shall be applied as follows:

- (i) firstly, in paying to the holders of the Preference Shares the subscription price for each Preference Share (which has been duly paid),
- (ii) secondly, in paying in respect of each class of Ordinary Shares such amounts as are necessary to ensure that, taking into account previous distributions of income or capital, all classes of the Ordinary Shares (taking into account amounts received by such classes of Ordinary Shares) have received in aggregate the same

amount per Ordinary Share treating all the Ordinary Shares as if they were one class,

- (iii) thirdly, in paying to the holders of the Ordinary Shares (as if the same constituted one class of Share) the subscription price for each relevant Ordinary Share (which has been duly paid), and
- (iv) lastly, the balance of such assets shall be distributed amongst the classes of Ordinary Shares in the same percentages as each such classes of Ordinary Shares' Percentage Entitlement

32 1 4 Redemption of Preference Shares

- (i) Subject to the provisions of the CA 2006, the Preference Shares shall be redeemed in whole or in part at any time at the sole decision of the Board and by the Board giving notice of the redemption to the relevant holder ("**Redemption Notice**") The Preference Shares which are the subject of the Redemption Notice shall, unless otherwise directed by the Board, be redeemed on the date specified in the Redemption Notice ("**Redemption Date**")
- (ii) On the Redemption Date, the company shall pay the Original Subscription Price on each of the Preference Shares redeemed
- (iii) On any Redemption Date, the company shall pay to each registered holder of Preference Shares the amount payable in respect of such redemption On receipt of that amount, each such holder of Preference Shares shall surrender to the company the certificate for the Preference Shares that are to be redeemed (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost share certificate) for cancellation If any certificate (or indemnity) so surrendered includes any Preference Shares that are not redeemable at that time, the company shall issue to the holder a new share certificate for the balance of the Preference Shares not redeemable If there is more than one holder of Preference Shares, any redemption shall, unless otherwise directed by the Board, be made among such holders pro rata (as nearly as possible) to their respective holdings of Preference Shares
- (iv) If, on any Redemption Date, the company is prohibited from redeeming some or all of the Preference Shares then due to be redeemed, the company shall redeem such number of Preference Shares as it is lawfully able to redeem If there is more than one holder whose Preference Shares are due to be redeemed, those Preference Shares shall, unless otherwise directed by the Board, be redeemed in proportion as nearly as possible to their existing holdings of Preference Shares

32 1 5 Save as set out in Articles 32 1 1 to 32 1 4 (inclusive), the Ordinary Shares and the Preference Shares shall rank *pari passu*

### **33     Powers to issue different classes of share**

- 33 1     Subject to the Articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution
- 33 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

### **34     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

### **35     Share certificates**

- 35 1     The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- 35 2     Every certificate must specify
  - 35 2 1        in respect of how many shares, of what class, it is issued,
  - 35 2 2        the nominal value of those shares,
  - 35 2 3        that the shares are fully paid, and
  - 35 2 4        any distinguishing numbers assigned to them
- 35 3     No certificate may be issued in respect of shares of more than one class
- 35 4     If more than one person holds a share, only one certificate may be issued in respect of it
- 35 5     Certificates must
  - 35 5 1        have affixed to them the company's common seal, or
  - 35 5 2        be otherwise executed in accordance with the Companies Acts

### **36     Replacement share certificates**

- 36 1     If a certificate issued in respect of a shareholder's Share is
  - 36 1 1        damaged or defaced, or
  - 36 1 2        said to be lost, stolen or destroyed,that shareholder is entitled to be issued with a replacement certificate in respect of the same Shares
- 36 2     A shareholder exercising the right to be issued with such a replacement certificate

- 36 2 1 may at the same time exercise the right to be issued with a single certificate or separate certificates,
- 36 2 2 must return the certificate which is to be replaced to the company if it is damaged or defaced, and
- 36 2 3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

### **37 Share transfers – General**

- 37 1 No Share shall be transferred, and the directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles or with the written consent of the Board
- 37 2 The directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 37 3 The Board shall not permit any person to be or register any person as a shareholder of the company (including, for the avoidance of doubt, any transfer made pursuant to Article 38 1) unless the transferee shall have first entered into a deed of adherence (in such form as the Board shall determine from time to time) under which the transferee agrees to be bound by the terms of any shareholders' agreement or document having an equivalent effect and existing at the date of such transfer
- 37 4 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
- 37 5 For the purpose of ensuring that a transfer of Shares is in accordance with the provisions of these Articles the directors may require any party to provide the company with such information and evidence as the directors may think fit regarding any matter they consider relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after such request or if any such information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the directors shall refuse to register the transfer in question and shall be entitled to serve a Transfer Notice in respect of the Shares concerned and the provisions of Article 40 shall take effect accordingly
- 37 6 Notwithstanding anything contained in these Articles, the directors may decline to register any transfer of any share on which the company has a lien
- 37 7 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 37 8 The company may retain any instrument of transfer which is registered
- 37 9 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it
- 37 10 If a shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have served a Transfer Notice immediately in respect of all Shares held by him

### 38 **Permitted Transfers**

38 1 The provisions of Article 37 1 shall not, subject to Article 37 3, apply to

- 38 1 1 any transfer by a shareholder to a Family Member,
- 38 1 2 any transfer by the personal representatives of a deceased shareholder to any Family Member,
- 38 1 3 any transfer by a shareholder or the personal representatives of a deceased shareholder to the trustees of a Family Trust,
- 38 1 4 any transfer by the trustees of a Family Trust to a beneficiary of that trust or to the settlor of that Family Trust, or
- 38 1 5 any transfer by a shareholder or the personal representatives of a deceased shareholder to the trustees of a Will Trust (and for the avoidance of doubt any subsequent transfer by the trustees of a Will Trust must comply with the provisions of this Article 38)

38 2 For the purposes of Article 38 1

38 2 1 **"Family Member"** means Alistair Angus Mackintosh and Sara Jane Mackintosh and any lineal descendants of them both (but not either of them),

38 2 2 **"Family Trust"** means

- (i) a bare trust for the benefit of any Family Member,
- (ii) a trust (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or on an intestacy) which permits the settled property or the income therefrom to be applied (whether currently or in the future) only for the benefit of any Family Member and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees of the trust

38 2 3 **"Will Trust"** means a trust arising under a testamentary disposition or on an intestacy which gives the widow, widower or surviving civil partner of the deceased Family Member an interest in possession in the Shares

38 3 A transfer of Shares may only be made to a Family Trust and/or a Will Trust if the Board are satisfied

38 3 1 with the terms of the trust instrument and, in particular, with the powers of the trustees,

38 3 2 with the identity of the proposed trustees, and

38 3 3 that no costs incurred in connection with the setting up or administration of that Family Trust and/or the Will Trust are to be paid by the company

38 4 Where Shares have been transferred under Article 38 1 to trustees of a Family Trust and/or a Will Trust, the relevant shares may only on a change of trustees be



transferred to the trustees for the time being of the trusts concerned where the Board are satisfied with the identity of any new trustee

38 5 Any Permitted Transfers made under this Article 38 may be made without restriction as to price or otherwise

38 6 Subject to the provisions of Article 37 or this Article 38, the directors may, in their absolute discretion, decline to register a transfer of any Ordinary Shares unless and until either

38 6 1 the Ordinary Shares that are the subject of the proposed transfer are re-designated as Ordinary Shares of the same class as those Ordinary Shares already held by the proposed transferee, or

38 6 2 the transferring Ordinary Shares are re-designated into a new class of Ordinary Shares,

and in either case the Board shall, acting reasonably, be entitled to make appropriate adjustments to the Ordinary Shares Percentage Entitlement to ensure that each Ordinary Share (of whatever class) receives an equal entitlement to future income, profits and capital gains of the company

### **39 Compulsory Transfers**

39 1 A person entitled to a Share in consequence of the bankruptcy of a shareholder (or equivalent procedure in any jurisdiction outside of England and Wales) shall be deemed to have given a Transfer Notice in relation to such Share at such time as the Board determines and the provisions of Article 40 shall then apply

39 2 A shareholder or a person entitled to a Share who is separated from a spouse or civil partner in circumstances which the Board considers are likely to be permanent shall be deemed to have given a Transfer Notice in relation to such Share at such time as the Board determines and the provisions of Article 40 shall then apply

39 3 If a shareholder which is a body corporate resolves to appoint a liquidator, administrator or administrative receiver over it (or a material part of its business) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Board determines and the provisions of Article 40 shall then apply

39 4 If a trustee is appointed to a Family Trust or Will Trust without the prior approval of the Board the trustees for the time being of the Family Trust or Will Trust shall be deemed to have given a Transfer Notice in respect of all Shares held on the terms of such Family Trust or Will Trust at such time as the Board determines and the provisions of Article 40 shall apply

39 5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death (the "remaining shares") the Board may give written notice to the personal representatives of the deceased shareholder requiring them, before the expiry of 21 days beginning with the date of receipt of the notice, to deal with the remaining shares in one or a combination of the following ways

39 5 1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer),

- 39 5 2 to show to the satisfaction of the Board that a Permitted Transfer will be elected before or promptly upon the completion of the administration of the estate of the deceased Shareholder, or
- 39 5 3 by giving a Transfer Notice and the provisions of Article 40 shall then apply
- 39 6 If the personal representatives fail to comply with the notice to the satisfaction of the Board, a Transfer Notice shall be deemed to have been given at the expiration of the 21-day period referred to in Article 39 5 in relation to the remaining shares (including any shares referred to in Article 39 5 1 or Article 39 5 2) save to the extent that, the Board may otherwise determine
- 39 7 Where a shareholder dies and the persons legally or beneficially entitled to a Share under that deceased shareholder's will (or the rules of intestacy) to such Share is not a Permitted Transferee, the personal representatives of the deceased shareholder shall be deemed to have been given a Transfer Notice in relation to such Share at such time as the Board determines
- 39 8 Where a Share is held by the trustees of a Will Trust and the widow, widower or surviving civil partner who had a life interest in such Share dies, then unless the trustees shall transfer such Share to a Family Member or a Family Trust within 12 months of the date of death of the widow, widower or surviving civil partner the trustees of such Will Trust shall be deemed to have been given a Transfer Notice in relation to such Share at such time as the Board determines
- 40 Transfer of Shares - Procedure**
- 40 1 Where a Transfer Notice is given or deemed to have been given pursuant to these Articles, the Board shall, in its absolute discretion, decide whether to
- 40 1 1 offer all or some of the Sale Shares to the existing shareholders at the Sale Price,
- 40 1 2 offer all or some of the Sale Shares to a Permitted Transferee under Article 38 1 at the Sale Price, and/or
- 40 1 3 arrange for the company to buy back all or some of the Sale Shares at the Sale Price
- 40 2 The Board may exercise their discretion to offer the Sale Shares to the purchasers set out in Article 40 1 at any time, and until they do so, the Sale Shares shall remain registered in the name of the then current shareholder. The process, procedure and timetable for the sale and purchase of the Sale Shares shall be determined by the Board
- 40 3 A Transfer Notice shall not be revocable except with the sanction of the Board given any time prior to completion of the transfer of the Shares in question
- 40 4 A Transfer Notice shall be accompanied by the relevant share certificate(s). A Transfer Notice may include more than one Share and shall operate as a separate notice in respect of every Share included in it. The Transfer Notice shall
- 40 4 1 state the number of Shares which are to be transferred or disposed of ("**Sale Shares**"),

- 40 4 2 specify that the price per Share in cash ("**Sale Price**") is to be determined in accordance with this Article 40 4 2 (unless the Sale Shares are Preference Shares, in which case the Sale Price per Preference Share shall be the Original Subscription Price)

*Sale Price* The Sale Price shall be the fair value per share agreed by the Seller and the Board. If no agreement as to the Sale Price is reached within the timetable set by the Board, the matter shall be referred to the Accountants. They shall state in writing what is in their opinion the fair value of the Sale Shares on the open market having regard to the fair value of the business of the company as a going concern and on the basis of an arm's length transaction as between a willing seller and a willing purchaser, and that the Sale Shares are sold free of all encumbrances and account shall be taken of the fact (if relevant) that the Shares in question constitute a minority holding. The determination of the Accountants shall be final and binding on all concerned save in the event of fraud or manifest error. The cost of obtaining the certificate of the Accountants shall be borne by the Seller. The directors shall procure that a copy of the Accountants' certificate is sent to the Seller as soon as practicable after it is issued and the Transfer Notice shall be updated accordingly,

- 40 4 3 appoint the company as the agent for the sale of the Sale Shares and all rights in them at the Sale Price,
- 40 5 Any Sale Shares sold pursuant to Article 40 shall be transferred free from any claims, equities, liens and encumbrances and with all rights attached to them as at the date of service of the Transfer Notice, but without the benefit of any other warranties or representations whatsoever
- 40 6 If a purchaser(s) shall be found for some or all of the Sale Shares the following provisions of this Article 40 6 shall apply. Should the Seller fail to comply with the procedure set out in this Article 40 and/or fail to transfer the Sale Shares as required pursuant to this Article, the directors shall have the power to authorise some person to execute an instrument of transfer in respect of the Sale Shares on the Seller's behalf at the Sale Price in favour of a purchaser(s) identified by the directors and shall register the purchaser(s) in the register of members as the holder of such of the Sale Shares as shall have been transferred to him. The proceeds of sale of the Sale Shares will be provided to the Seller following receipt of the same by the company. The company shall receive the purchase money on behalf of the Seller but shall not be bound to earn or pay interest on it. The receipt of the company for the purchase money shall be a good discharge to any purchaser who shall not be bound to see to the application of it, and after the name of the purchaser has been entered in the register of members in accordance with this Article the validity of the proceedings shall not be questioned by any person

#### **41 Transmission of Shares**

- 41 1 If title to a Share passes to a transmittee, the company may only recognise the transmittee as having any title to that Share
- 41 2 A transmittee who produces such evidence of entitlement to Shares as the directors may properly require

- 41 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
- 41 2 2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had
- 41 3 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 registered holders of those shares
- 42 **Exercise of transmittees' rights**
- 42 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
- 42 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
- 42 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

43 **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, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 42 2, has been entered in the register of members

## DIVIDENDS AND OTHER DISTRIBUTIONS

44 **Procedure for dividends**

- 44 1 Subject to the provisions of the CA 2006, the directors may decide to pay dividends if it appears to them that they are justified by the profits of the company available for distribution
- 44 2 No dividend may be paid unless it is in accordance with shareholders' respective rights
- 44 3 Unless the directors' decisions 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 decision to pay it
- 44 4 If the company's share capital is divided into different classes, no dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear
- 44 5 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

- 44 6 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

**45 Payment of dividends and other distributions**

- 45 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

45 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,

45 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,

45 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

45 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

- 45 2 In the Articles, "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable

45 2 1 the holder of the share, or

45 2 2 if the share has two or more joint holders, whichever of them is named first in the register of members, or

45 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

**46 No interest on distributions**

- 46 1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

46 1 1 the terms on which the share was issued, or

46 1 2 the provisions of another agreement between the holder of that share and the company

**47 Unclaimed distributions**

- 47 1 All dividends or other sums which are

47 1 1 payable in respect of shares, and

47 1 2 unclaimed after having become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed

47 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

47 3 If

47 3 1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

47 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

#### **48 Non-cash distributions**

48 1 Subject to the terms of issue of the share in question, 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)

48 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

48 2 1 fixing the value of any assets,

48 2 2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

48 2 3 vesting any assets in trustees

#### **49 Waiver of distributions**

49 1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if

49 1 1 the share has more than one holder, or

49 1 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

### **CAPITALISATION OF PROFITS**

#### **50 Authority to capitalise and appropriation of capitalised sums**

50 1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution

50 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

- 50 1 2 appropriate any sum which they so decide to capitalise ("capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend ("**persons entitled**") and in the same proportions
- 50 2 Capitalised sums must be applied
- 50 2 1 on behalf of the persons entitled, and
- 50 2 2 in the same proportions as a dividend would have been distributed to them
- 50 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
- 50 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
- 50 5 Subject to the Articles, the directors may
- 50 5 1 apply capitalised sums in accordance with Articles 50 3 and 50 4 partly in one way and partly in another,
- 50 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
- 50 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

#### PART 4

##### DECISION-MAKING BY SHAREHOLDERS

##### ORGANISATION OF GENERAL MEETINGS

#### **51 Attendance and speaking at general meetings**

- 51 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
- 51 2 A person is able to exercise the right to vote at a general meeting when
- 51 2 1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 51 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
- 51 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

51 4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other

51 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

## **52 Quorum for general meetings**

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. The quorum for general meetings, unless otherwise fixed by the shareholders of the company by ordinary resolution, shall be two shareholders.

## **53 Chairing general meetings**

53 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

53 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

53 2 1 the directors present, or

53 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.

53 3 The person chairing a meeting in accordance with this article is referred to as "**the chairman of the meeting**".

## **54 Attendance and speaking by directors and non-shareholders**

54 1 Directors may attend and speak at general meetings, whether or not they are shareholders.

54 2 The chairman of the meeting may permit other persons who are not

54 2 1 shareholders of the company, or

54 2 2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

## **55 Adjournment**

55 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.

55 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if



- 55 2 1 the meeting consents to an adjournment, or
- 55 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
- 55 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 55 4 When adjourning a general meeting, the chairman of the meeting must
  - 55 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
  - 55 4 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 55 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)
  - 55 5 1 to the same persons to whom notice of the company's general meetings is required to be given, and
  - 55 5 2 containing the same information which such notice is required to contain
- 55 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## VOTING AT GENERAL MEETINGS

### **56 Voting: general**

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

### **57 Errors and disputes**

- 57 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
- 57 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

### **58 Poll votes**

- 58 1 A poll on a resolution may be demanded
  - 58 1 1 in advance of the general meeting where it is to be put to the vote, or
  - 58 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

58 2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 CA 2006) present and entitled to vote at the meeting

58 3 A demand for a poll may be withdrawn if

58 3 1 the poll has not yet been taken, and

58 3 2 the chairman of the meeting consents to the withdrawal

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made

58 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

## **59 Content of proxy notices**

59 1 Proxies may only validly be appointed by a notice in writing ("**proxy notice**") which

59 1 1 states the name and address of the shareholder appointing the proxy,

59 1 2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,

59 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

59 1 4 is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting

59 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

59 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

59 4 Unless a proxy notice indicates otherwise, it must be treated as

59 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

59 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

## **60 Delivery of proxy notices**

60 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

- 60 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
- 60 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
- 60 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

## **61 Amendments to resolutions**

- 61 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
- 61 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
- 61 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 61 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- 61 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- 61 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 61 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

## **62 Class meetings**

- 62 1 The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares

# **PART 5**

## **ADMINISTRATIVE ARRANGEMENTS**

## **63 Means of communication to be used**

- 63 1 Subject to the Articles, anything sent or supplied by or to the company under the Articles may be sent or supplied in any way in which the CA 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company
- 63 2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by

the means by which that director has asked to be sent or supplied with such notices or documents for the time being

- 63 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

#### **64 Notices**

- 64 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

64 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

64 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

64 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

64 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

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

- 64 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006

#### **65 Failure to notify contact details**

- 65 1 If

65 1 1 the company sends two consecutive documents to a shareholder over a period of at least 12 months, and

65 1 2 each of those documents is returned undelivered, or the company receives notification that it has not been delivered,

that shareholder ceases to be entitled to receive notices from the company

- 65 2 A shareholder who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending in writing to the company

- 65 2 1 a new address to be recorded in the register of members, or
- 65 2 2 if the shareholder has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs in order to use that means of communication effectively

**66 Company seals**

- 66 1 Any common seal may only be used by the authority of the directors
- 66 2 The directors may decide by what means and in what form any common seal is to be used
- 66 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
- 66 4 For the purposes of this article, an authorised person is
- 66 4 1 any director of the company,
- 66 4 2 the company secretary (if any), or
- 66 4 3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied

**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 shareholder

**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

**DIRECTORS' INDEMNITY AND INSURANCE**

**69 Indemnity**

- 69 1 Subject to the provisions of, and so far as may be consistent with, the CA 2006 and any other provision of law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the company shall indemnify every relevant officer out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a relevant officer

PROVIDED that in the case of any director, any such indemnity shall not apply to any liability of that director

69 1 1 to the company or to any of its associated companies,

69 1 2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising), or

69 1 3 incurred

(i) in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the company, or any of its associated companies, in which judgment is given against him, or

(ii) in connection with any application under any statute for relief from liability in respect of any such act or omission in which the court refuses to grant him relief

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234 CA 2006

69 2 Every director shall be entitled to have funds provided to him by the company to meet expenditure incurred or to be incurred in connection with any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a director, provided that he will be obliged to repay such amounts no later than

69 2 1 in the event he is convicted in proceedings, the date when the conviction becomes final,

69 2 2 in the event of judgment being given against him in proceedings, the date when the judgment becomes final, or

69 2 3 in the event of the court refusing to grant him relief on any application under any statute for relief from liability, the date when refusal becomes final

in each case where the conviction, judgment or refusal by the court is final within the meaning stated in section 234 CA 2006

## **70 Insurance**

70 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

70 2 In this article a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company