

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
THE GOLDEN CHARTER TRUST LIMITED

Adopted by written resolution on 3 Sep 2020



ENLIGHTENED THINKING

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PART 1 - INTERPRETATION AND LIMITATION OF LIABILITY

1 Definitions and interpretation

1.1 In the Articles, unless the context requires otherwise:

- 1.1.1 "Act" means the Companies Act 2006;
- 1.1.2 "Actuaries" means such consulting actuaries as are from time to time retained by the Company;
- 1.1.3 "Alternate" or "Alternate Director" has the meaning given in Article 27;
- 1.1.4 "Appointor" has the meaning given in Article 27;
- 1.1.5 "Articles" means the Company's articles of association;
- 1.1.6 "Bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England which have an effect similar to that of bankruptcy;
- 1.1.7 "Board" means the board of Directors from time to time;
- 1.1.8 "Business" means investing the sums paid to the Company by the Trust (having been paid to the Trust by Customers pursuant to the sale of Funeral Plan Contracts) to create investment assets and actively managing those investment assets in order to pay the agreed cost to the Selected Funeral Directors when the funerals take place;
- 1.1.9 "Chairman" has the meaning given in Article 14;
- 1.1.10 "Chairman of the Meeting" has the meaning given in Article 53.3;
- 1.1.11 "Clear Days" means the length of the period specified in the Articles excluding the day of the meeting and the day on which the notice is given. Where the notice is sent by post to an address in the United Kingdom, and the Company can show that it was properly addressed, pre-paid and posted, notice is deemed to have been given to the intended recipient 48 hours after it was posted;
- 1.1.12 "Close Relative" means, in relation to any person:-
 - 1.1.12.1 his spouse;
 - 1.1.12.2 his child, parent or sibling (including any step child, step parent or step sibling); or
 - 1.1.12.3 the spouse of any person within sub paragraph 1.1.12.2.

For the purposes of these Articles, "spouse" includes a person whose relationship with another person (whether or not of the same sex) has the characteristics of the relationship of husband and wife;

- 1.1.13 "Companies Acts" means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;
- 1.1.14 "Company" means The Golden Charter Trust Limited (company number 09392629);
- 1.1.15 "Company's Lien" has the meaning given in Article 36;
- 1.1.16 "Connected Person" means, in respect of Golden Charter, a person who is:-
 - 1.1.16.1 a shareholder of Golden Charter or any company which is a member of the same group as, or an associated company of, Golden Charter;
 - 1.1.16.2 a director, officer or employee of Golden Charter or any company which is a member of the same group as, or an associated company of, Golden Charter;
 - 1.1.16.3 a partner of any partnership which is associated with Golden Charter or an associated company of Golden Charter;
 - 1.1.16.4 a Close Relative of a person falling within sub-paragraphs 1.1.16.1, 1.1.16.2 or 1.1.16.3; or
 - 1.1.16.5 an agent of any person falling within sub-paragraphs 1.1.16.1 to 1.1.16.4;
- 1.1.17 "Director" means a director of the Company (or, where the context requires, of a Subsidiary or of an associated company), and includes any person occupying the position of director, by whatever name called;
- 1.1.18 "Distribution Recipient" has the meaning given in Article 43.2;
- 1.1.19 "Document" includes, unless otherwise specified, any document sent or supplied in Electronic Form;
- 1.1.20 "Electronic Form" means, in relation to the sending or supply of a document or information, the sending or supply by electronic means (such as by e-mail or fax) or by any other means while in an electronic form (such as sending a disk by post);
- 1.1.21 "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;

- 1.1.22 "FPA" means the Funeral Planning Authority (or any successor thereof or replacement body);
- 1.1.23 "FPA Rules" means the rules of the FPA;
- 1.1.24 "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;
- 1.1.25 "Fund Manager" means any fund manager or investment manager appointed by the Board to manage all or any part of the assets of the Company;
- 1.1.26 "Funeral Director" means any individual or person (natural or legal) engaged in the provision of any services or supplies connected to funerals including services and supplies provided prior to the maturity of a Funeral Plan;
- 1.1.27 "Funeral Plan" means the various combinations of prepaid funeral plans, and all other funeral services from time to time offered by Golden Charter to the public;
- 1.1.28 "Funeral Plan Contract" means the written contract entered into by Golden Charter and the Planholder for the purchase and sale of any Funeral Plan under which a Funeral Director is sub-contracted to be the Selected Funeral Director;
- 1.1.29 "Golden Charter" means Golden Charter Limited (company number 2511598);
- 1.1.30 "Group Undertaking" has the meaning given in section 1161(5) of the Act;
- 1.1.31 "Holder" in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;
- 1.1.32 "Instrument" means a document in paper copy or similar form capable of being read;
- 1.1.33 "Invoice Cost" means the price payable for the funeral arrangements provided for in a Funeral Plan Contract as determined by Golden Charter and intimated by Golden Charter to the Appointed Funeral Directors from time to time;
- 1.1.34 "Lien Enforcement Notice" has the meaning given in Article 37;
- 1.1.35 "Matured Plan" means any Funeral Plan purchased by a Planholder (or any other person) who has died and whose funeral arrangements have been fully undertaken by the Selected Funeral Director in accordance with the provisions of that Funeral Plan but in respect of which payment to the Selected Funeral Director has not yet been made by Golden Charter;
- 1.1.36 "Net Invoice Price" means the price charged by Golden Charter to the Planholder therefor, less any turnover tax, value added tax or other sales tax payable thereon and any levy payable to the FPA (which price may be payable in instalments);

- 1.1.37 "Nominee" means, where the terms of the relevant Funeral Plan Contract permit, any person nominated by the Planholder to receive the Funeral Plan benefits in place of the Planholder;
- 1.1.38 "Ordinary Resolution" has the meaning given in section 282 of the Act;
- 1.1.39 "Outstanding Plan" means any Funeral Plan purchased by a Planholder (or any other person) who is in life, or who having died, whose funeral arrangements have not yet been undertaken by the Selected Funeral Director in full in accordance with the provisions of that Funeral Plan;
- 1.1.40 "Paid" means paid or credited as paid;
- 1.1.41 "Participate", in relation to a Directors' meeting, has the meaning given in Article 12 and "Participating" shall be construed accordingly;
- 1.1.42 "Planholder" means any person with whom Golden Charter has entered into a Funeral Plan Contract;
- 1.1.43 "Plan Maintenance Fee" means any sum or contribution payable out of the Net Invoice Price or other sums remitted by Planholders to the Trust, to cover ongoing maintenance costs of Funeral Plans until they become Matured Plans as agreed from time to time pursuant to Article 4.1.3;
- 1.1.44 "Proxy Notice" has the meaning given in Article 59;
- 1.1.45 "RAO" means The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 as amended or substituted from time to time;
- 1.1.46 "SAIF Charter" means SAIF Charter, an unincorporated association, having its principal office at SAIF Business Centre, Three Bullfields Road, Sawbridgeworth, Herts, CM21 9DB;
- 1.1.47 "SAIF Trustee" means the Trustee appointed by SAIF Charter from time to time;
- 1.1.48 "Selected Funeral Director" means the Funeral Director who is selected by either the Planholder or Golden Charter under any relevant Funeral Plan Contract;
- 1.1.49 "Share" or "Shares" means a share or shares in the Company;
- 1.1.50 "Shareholder" means a person who is the Holder of a Share;
- 1.1.51 "Special Resolution" has the meaning given in section 283 of the Act;
- 1.1.52 "Subsidiary" has the meaning given in section 1159 of the Act;

- 1.1.53 "Transmittee" means a person entitled to a Share by reason of the death or Bankruptcy of a Shareholder or otherwise by operation of law;
- 1.1.54 "Trust" means The Golden Charter Trust, constituted under the amended and restated deed of trust between Golden Charter and others dated 24 July and subsequent dates of 2002 as amended by letters of declaration dated (i) 9 January and subsequent dates of 2007; and (ii) 9 September and subsequent dates of 2009;
- 1.1.55 "Trustees" means the trustees of the Trust from time to time;
- 1.1.56 "Trust Chairman" means the chairman of the Trust from time to time;
- 1.1.57 "Unconnected Director" means a Director who is not connected with Golden Charter as defined in Regulation 60(2) of the RAO; and
- 1.1.58 "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:-

- 1.2.1 other words or expressions contained in the Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company;
- 1.2.2 words in the singular include the plural and in the plural include the singular; and
- 1.2.3 a reference to one gender includes a reference to the other gender.

1.3 These Articles apply instead, and to the exclusion, of the model Articles for private companies limited by shares set out in schedule 1 of The Companies (Model Articles) Regulations 2008.

2 Liability of members

The liability of the members 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

- 3.1 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.

- 3.2 If the Company has for the time being a sole Shareholder, any or all of the powers of the Directors (or any of them) shall be restricted in such respects, to such extent and for such duration as that sole Shareholder may from time to time prescribe by notice to the Company.

4 Objects

The objects for which the Company is established are:

- 4.1 to carry on the business of acquiring, holding, investing, managing and administering assets in connection with the Business and to apply such assets for the sole purpose of ensuring that the investments, returns and all income generated by the Company are available to support the Trust and that the Trust is able to meet its fiduciary obligations and trust purposes and in particular with a view to ensuring that the assets of the Company are at all times sufficient to support the Trust meeting in full:-
- 4.1.1 the anticipated Invoice Costs of all Outstanding Plans and Matured Plans as certified by the Actuaries from time to time;
 - 4.1.2 the Invoice Costs;
 - 4.1.3 an amount in respect of the sale, marketing, promotion and administration of Funeral Plans at such level and in such amount as may be agreed between the Trust and Golden Charter from time to time (including, but not limited to, by way of payment of Plan Maintenance Fees);
 - 4.1.4 any refunds to Planholders whether in respect of cancellation of Funeral Plan Contracts or otherwise, as may be in line with the Golden Charter's refund policy as current from time to time; and
 - 4.1.5 if Golden Charter shall have ceased to trade, been struck off, gone into liquidation or other insolvency process (other than for the purposes of reconstruction or amalgamation), or shall have had an administrator appointed to it, to pay to Selected Funeral Directors from time to time the Invoice Cost of funeral arrangements undertaken by any such Selected Funeral Director in accordance with the terms of a Matured Plan;
- 4.2 to acquire and hold in furtherance of the objects set out in Article 4.1, either in the name of the Company or in that of any nominee, shares, stock, debentures, debenture stock, bonds, notes, warrants, units, participations, derivatives (including contracts for differences, futures and options) and any other obligations and securities whatsoever issued or guaranteed by any company or other body of persons, mutual fund, unit or other trust, partnership, consortium or other entity or undertaking wherever the same may be resident, incorporated or carrying on business and any obligations and securities whatsoever issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world;

- 4.3 to acquire any such shares, stock, debentures, debenture stock, bonds, notes, warrants, units, participations, derivatives, obligations and securities aforesaid by original subscription, contract, tender, purchase, exchange, underwriting, or by participation in syndicates or by the acquisition of options, traded options, warrants to acquire, conversion rights or other rights in respect thereof, or otherwise, and to acquire the same whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit, and to guarantee the subscription thereof, and to acquire options of any description whether over property or not, including options traded on any option or stock exchange, financial futures, contracts of any kind and foreign currency of all descriptions, and to sell, dispose of, exchange or otherwise turn to account any of the same, and to vary the investments of the Company; and
- 4.4 to provide financial support to Golden Charter in such manner as may be thought fit by the Directors.
- 4.5 The Company shall not engage in activities other than those specified in either this Article 4 or Article 5 which could result in the Company incurring any additional liabilities.

5 Powers

- 5.1 The Company shall have the powers necessary to further the objects set out in Article 4, subject always to the limitation in Article 4.4.
- 5.2 Without prejudice to the generality of Article 5.1 but in furtherance of the objects set out in Article 4, the Company shall be empowered to borrow sums by way of an interest free loan, repayable on demand, from the Trustees in respect of the funds paid to the Trust from the sale of Funeral Plan Contracts after the deduction of certain expenses and to repay such sums in accordance with those terms.

6 Fund Managers

- 6.1 The Directors shall monitor regularly (being at intervals not exceeding seven months) the performance of any Fund Manager and shall provide to such Fund Manager at least annually a written statement of investment principles and policies (consistent with any guidance on investment policy issued by the FPA) which any such Fund Manager shall be required to follow in respect of all or any part of the assets of the Company managed by them.
- 6.2 The Directors shall at all times procure that they shall instruct any Fund Manager to the effect that:-
- 6.2.1 the Fund Manager shall invest any of the Company's assets under its control prudently with a view to minimising the risk that the assets of the Company will be insufficient to meet the liabilities of the Company; and
- 6.2.2 no part of the Company's assets is invested in any matters in which a Connected Person of Golden Charter has a material interest including, but not limited to, investing in or

providing loans to Golden Charter or any business of or associated with Golden Charter or any director of Golden Charter or any Connected Person of Golden Charter.

6.3 The Directors shall at all times comply with the RAO and FPA Rules insofar as they are relevant or applicable to the activities of the Company. In doing so all of the Directors must take such steps as are reasonably practicable for the purpose of ensuring:-

6.3.1 that any breach of any duties under the RAO, the FPA Rules or otherwise by a Director is corrected by the Director concerned and not repeated; and

6.3.2 that action is commenced to remove any Director who has been in serious and persistent breach of duties under the RAO, the FPA Rules or otherwise.

6.4 Each of the Directors shall at all times:-

6.4.1 ensure that he complies; and

6.4.2 use his best endeavours to procure that the Company complies ,

with any direction, requirement or notice imposed under the RAO, the FPA Rules or otherwise.

7 Shareholders' reserve power

7.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.

7.2 No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

DECISION MAKING BY DIRECTORS

8 Proceedings of Directors

8.1 Subject as provided in these Articles, the Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The Board shall try to meet at least quarterly.

8.2 The Board shall in each calendar year hold a meeting at which the annual accounts of the Company and the auditor's report thereon shall be placed before the Directors and, if approved, signed by the 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. A majority of

votes shall be deemed to have been cast only where a majority of the Unconnected Directors (or their Alternate appointed pursuant to Article 27) have voted in favour of the decision in question.

9.2 In the event that a decision of the Directors is by majority decision at a meeting, those Directors who:-

9.2.1 voted against the majority or abstained from voting; or

9.2.2 were absent from that meeting,

shall nonetheless be deemed to be bound by the decision of the majority and shall sign a resolution in Writing recording the decision of the Directors at that meeting.

9.3 The Directors shall, wherever possible, endeavour to determine matters unanimously, having regard to the FPA Rules.

10 Unanimous decisions

10.1 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.

10.2 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.

10.3 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.

11 Calling a Directors' meeting

11.1 Any Director may call a Directors' meeting by giving notice of not less than 7 days of the meeting to the Directors.

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 shall 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. A Director may waive his entitlement to notice of that meeting by giving notice to that effect to the Company:-

11.4.1 at any time prior to the date of the meeting; or

11.4.2 not more than 7 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.

12 Participation in Directors' meetings

12.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting ("Participate"), when:-

12.1.1 the meeting has been called and takes place in accordance with the Articles; and

12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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 a Directors' meetings shall be a majority of the Directors who are, at the time of the proposed meeting, physically present in Great Britain. In the event that only one Director is physically present in Great Britain at that time, then that Director shall constitute a quorum.

13.3 Notwithstanding any other provisions of these Articles, a quorum shall only be constituted if the majority of the Directors present at the proposed Directors' meeting are Unconnected Directors.

13.4 For the purposes of any meeting (or part of a meeting) held pursuant to Article 21 to authorise a Director's conflict, if there is only one Eligible Director in office other than the Interested Directors (as defined in that Article), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

13.5 If:

13.5.1 the total number of Directors for the time being is less than the quorum required; or

13.5.2 a majority of the Directors are not Unconnected Directors,

then the Directors must not take any decision other than a decision to appoint further Directors as required pursuant to these Articles.

14 Chairing of Directors' meetings

14.1 Subject to Article 1, the Trust Chairman shall chair the meetings of the Directors and shall be known as the Chairman.

14.2 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 the Unconnected Directors Participating in that meeting to chair it.

15 Eligibility of Directors

Notwithstanding any other provisions of the Articles, the Directors shall exclusively be the Trustees.

16 Number of Directors

16.1 For the period prior to and including 31 March 2021, the minimum number of Directors shall be five and the maximum number of Directors shall be ten.

16.2 For the period from and including 1 April 2021 until the date of dissolution of the Company, the minimum number of Directors shall be five and the maximum number of Directors shall be nine.

16.3 At all times, more than one half of the Directors must be Unconnected Directors.

17 Casting vote

17.1 If the numbers of votes for and against a proposal are equal, the Chairman (or other Director chairing the meeting pursuant to Article 16) has a casting vote.

17.2 Article 17.1 does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as Participating in the decision-making process for quorum or voting purposes.

18 Directors' conflicts of interest in transactions or arrangements

18.1 If a proposed decision of the Directors is concerned with an existing or proposed transaction or arrangement with the Company or other matter in which a Director is interested (whether directly or indirectly), that Director shall disclose the nature and extent of that interest to the other Directors in accordance with sections 177 or 182 of the Act as applicable.

18.2 A Director who has complied with Article 18.1:-

- 18.2.1 is to be counted as Participating in the decision-making process for quorum and voting purposes (this includes any Directors' meeting or part of a Directors' meeting);
- 18.2.2 may be a party to, or otherwise interested in, any transaction or arrangement:-
 - 18.2.2.1 with the Company;
 - 18.2.2.2 with any Group Undertaking or with any other body corporate in which the Company is otherwise interested; or
 - 18.2.2.3 in which the Company is otherwise interested, directly or indirectly;
- 18.2.3 may be a director or other officer of, or employed by, or otherwise interested in, any Group Undertaking or in any other body corporate in which the Company is otherwise interested; and
- 18.2.4 shall not be accountable to the Company for any remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from any of the matters described in Articles 18.2.2 and 18.2.3. No such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

19 Minutes of meetings

The Directors shall ensure that the Company records minutes of proceedings at any Directors' meetings and that such records are kept for at least 10 years from the date of the relevant meeting.

20 Directors' discretion to make further rules

Subject to the Articles, and provided it does not conflict with 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.

DIRECTORS' SITUATIONAL CONFLICTS OF INTEREST

21 Board authorisation of situational conflicts

- 21.1 For the purposes of section 175 of the Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

21.2 Authorisation of a matter under this Article shall be effective only if:-

- 21.2.1 the matter in question shall have been proposed in Writing for consideration by the Directors in accordance with the Board's normal procedures or in such other manner as the Directors may approve;
- 21.2.2 where the matter is to be considered at a Directors' meeting, any requirement as to the quorum at such meeting is met without counting the Director in question and any other interested Director (together "Interested Directors"); and
- 21.2.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

21.3 Any authorisation of a matter under this Article 21 (whether at the time of giving the authorisation or subsequently) may:-

- 21.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
- 21.3.2 be for such duration and subject to such terms, conditions or limitations as the Directors may determine (including, without limitation, as to the Director's entitlement to receive information on the matter, and his entitlement to Participate in any subsequent decision-making process relating to the matter); and
- 21.3.3 be varied or terminated by the Directors at any time.

21.4 In authorising a matter under this Article, the Directors may decide that if a Director has obtained any information through his involvement in the matter otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person, then the Director is under no obligation to:-

- 21.4.1 disclose such information to all or any of the Directors or other officer or employee of the Company; or
- 21.4.2 use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence.

21.5 Where the Directors authorise a matter under this Article 21, the Director shall:-

- 21.5.1 conduct himself in accordance with any terms imposed by the Directors in relation to the matter; and
- 21.5.2 not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, conditions and limitations (if any) which the Directors have imposed in respect of its authorisation.

21.6 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 (or a person connected with him as defined in section 252 of the Act) derives from or in connection with any matter authorised:-

21.6.1 by the Directors under this Article; or

21.6.2 by the Company in general meeting,

subject in each case to any terms, limits or conditions attaching to that authorisation. Any contract, transaction or arrangement relating thereto shall not be liable to be avoided on such grounds.

21.7 The provisions of this Article 23 shall at all times be subject to the provisions of Article 11.3.

APPOINTMENT OF DIRECTORS

22 Methods of appointing Directors

22.1 Any person who is:-

22.1.1 willing to act as a Director;

22.1.2 permitted by law to act as a Director; and

22.1.3 a Trustee at the time of his proposed appointment as a Director,

may be appointed to be or reappointed as a Director by Ordinary Resolution.

22.2 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.

23 SAIF Director

23.1 SAIF Charter shall be entitled to appoint one member of its executive committee to be a Director ("SAIF Director"). The SAIF Director shall at all times be the same person as the SAIF Trustee.

23.2 The SAIF Director may at any time be removed from office by SAIF Charter.

23.3 If the SAIF Director shall die or be removed from or vacate office for any cause, SAIF Charter shall be entitled to appoint in his place another person to be the SAIF Director.

23.4 Any appointment or removal of a SAIF Director pursuant to this Article shall be in Writing and signed by or on behalf of SAIF Charter and served on the Company at its registered office, or delivered to a duly constituted meeting of the Board. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

23.5 No SAIF Director shall be appointed or removed otherwise than pursuant to this Article or Article 24, save as provided by law.

24 Rotation

24.1 Subject to Article 24.2, a Director must retire from office at the expiry of the term of 5 years from the date of his appointment as a Director.

24.2 Following the expiry of the term of 5 years referred to in Article 24.1, a Director may offer himself for reappointment as a Director. In the event that the Board agree to his reappointment, the Director must retire from office at the expiry of the term of 5 years from the date of his reappointment as a Director. For the avoidance of doubt, the Director may not offer himself for reappointment following the expiry of his second 5 year term as a Director.

25 Termination of Director's appointment

25.1 A person ceases to be a Director as soon as:-

25.1.1 he ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;

25.1.2 a Bankruptcy order is made against that person;

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

25.1.4 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;

25.1.5 notification is received by the Company from the Director that he is resigning from office, and such resignation has taken effect in accordance with its terms;

25.1.6 his service agreement with the Company is terminated by the Company;

25.1.7 he receives, or is deemed to receive, notification from the Board that he has been removed as a Director;

25.1.8 he ceases to be resident in Great Britain; or

25.1.9 he ceases to be a Trustee.

25.2 Any notification by the Board pursuant to Article 25.1.7 shall be served on the last known address of the Director in question.

- 25.3 Upon a person ceasing to be a Director, that person shall automatically be deemed to have simultaneously resigned from any office held by him as a result of him being a Director and shall do all acts and things and sign all documentation required to give effect to such deemed resignations.
- 26 Remuneration and expenses
- 26.1 Directors may undertake any services for the Company that the Directors decide.
- 26.2 Subject to the Articles, the Directors are entitled to such remuneration as the Directors determine is reasonable:-
- 26.2.1 for their services to the Company as Directors; and
- 26.2.2 for any other service which they undertake for the Company.
- 26.3 Subject to the Articles, a Director's remuneration may:-
- 26.3.1 take any form; and
- 26.3.2 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.
- 26.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 26.5 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:-
- 26.5.1 meetings of Directors or committees of Directors;
- 26.5.2 general meetings; or
- 26.5.3 separate meetings of the Holders of any class of Shares or holders of debentures of the Company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

ALTERNATE DIRECTORS

- 27 Appointment and removal of Alternates
- 27.1 Any Director (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors ("Alternate"), to:-
- 27.1.1 exercise that Director's powers; and

27.1.2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the Alternate's Appointor.

27.2 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.

27.3 The notice must:-

27.3.1 identify the proposed Alternate; and

27.3.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the alternate of the Director giving the notice.

28 Rights and responsibilities of Alternate Directors

28.1 An Alternate Director may act as alternate to more than one Director and has the same rights in relation to any decision of the Directors as the Alternate's Appointor.

28.2 Except as the Articles specify otherwise, Alternate Directors:-

28.2.1 are deemed for all purposes to be Directors;

28.2.2 are liable for their own acts and omissions;

28.2.3 are subject to the same restrictions as their Appointors; and

28.2.4 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.

28.3 A person who is an Alternate Director but not a Director:-

28.3.1 may be counted as Participating for the purposes of determining whether a quorum is Participating (but only if that person's Appointor is not Participating); and

28.3.2 may Participate in a decision of the Directors provided his Appointor is an Eligible Director in relation to that decision but does not Participate.

No Alternate may be counted as more than one Director for such purposes.

28.4 A Director who is also an Alternate Director:-

- 28.4.1 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); and
- 28.4.2 shall only count once for the purpose of reckoning whether a quorum is present at any Directors' meeting attended by him at which he is entitled to vote.
- 28.5 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in Writing made to the Company.
- 28.6 In determining the minimum and (if any) the maximum number of Directors, no account shall be taken of any Alternate Directors appointed from time to time.
- 29 Termination of Alternate Directorship
- 29.1 An Alternate Director's appointment as an Alternate terminates:-
 - 29.1.1 when the Alternate's Appointor revokes the appointment by notice to the Company in Writing specifying when it is to terminate;
 - 29.1.2 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;
 - 29.1.3 on the death of the Alternate's Appointor; or
 - 29.1.4 when the Alternate's Appointor's appointment as a Director terminates, except that an Alternate's appointment as an alternate does not terminate when the Appointor vacates his office at a general meeting and is then re-appointed as a Director at the same general meeting.

PART 3 - SHARES AND DISTRIBUTIONS

SHARES

- 30 Issue of Shares
- 30.1 The Directors shall not issue, or agree to issue, any Shares without the express prior written consent of all of the Shareholders.
- 30.2 Notwithstanding the provisions of Article 32.1, the Directors shall not issue, or agree to issue, any Shares if that issue or agreement to issue would result in the Trust and/or the Company:-

30.2.1 contravening the RAO or their compliance with the FPA Rules (insofar as they are relevant or applicable to the activities of the Trust or the Company); or

30.2.2 being classed as constituting an alternative investment fund pursuant to the Alternative Investment Fund Managers Directive.

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 Powers to issue different classes of Share

32.1 Subject to the Articles and in particular the provisions of Article 32, 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.

32.2 Subject to the Articles and in particular the provisions of Article 32, 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.

33 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.

34 Share certificates

34.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

34.2 Every certificate must specify:-

34.2.1 in respect of how many Shares, of what class, it is issued;

34.2.2 the nominal value of those Shares;

34.2.3 that the Shares are Fully Paid; and

34.2.4 any distinguishing numbers assigned to them.

- 34.3 No certificate may be issued in respect of Shares of more than one class.
- 34.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 34.5 Certificates must be executed in accordance with the Companies Acts.
- 35 Replacement Share certificates
- 35.1 If a certificate issued in respect of a Shareholder's Shares is:-
- 35.1.1 damaged or defaced; or
 - 35.1.2 said to be lost, stolen or destroyed,
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 35.2 A Shareholder exercising the right to be issued with such a replacement certificate:-
- 35.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 35.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 35.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.
- 36 Company's Lien
- 36.1 The Company has a lien ("Company's Lien") over every Share which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered Holder of the Share or one of several joint Holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 36.2 The Company's Lien over a Share:-
- 36.2.1 takes priority over any third party's interest in that Share; and
 - 36.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 36.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

37 Enforcement of the Company's Lien

37.1 Subject to the provisions of this Article, if:-

37.1.1 a Lien Enforcement Notice has been given in respect of a Share; and

37.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide.

37.2 A Lien Enforcement Notice:-

37.2.1 may only be given in respect of a Share which is subject to the Company's Lien if a sum in respect of which the lien exists is payable and the due date for payment of that sum has passed;

37.2.2 must specify the Share concerned;

37.2.3 must require payment of the sum payable within 14 days of the notice;

37.2.4 must be addressed either to the Holder of the Share or to a person entitled to it by reason of the Holder's death, Bankruptcy or otherwise; and

37.2.5 must state the Company's intention to sell the Share if the notice is not complied with.

37.3 Where Shares are sold under this Article:-

37.3.1 the Directors may authorise any person to execute an Instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

37.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

37.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:-

37.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;

37.4.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether immediately or at some time in the

future) as existed upon the Shares before the sale in respect of all the Shares registered in the name of such person after the date of the Lien Enforcement Notice.

37.5 A statutory declaration by a Director or the Company secretary (if any) that the declarant is a Director or the Company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:-

37.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

37.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

38 Share transfers

38.1 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.

38.2 No fee may be charged for registering any Instrument of transfer or other Document relating to or affecting the title to any Share.

38.3 The Company may retain any Instrument of transfer which is registered.

38.4 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

38.5 When a transfer of Shares has been lodged with the Company, the Company must either

38.5.1 register the transfer or approve the transfer for registration subject only to stamping; or

38.5.2 subject to Article 38.6, give the transferee notice of refusal to register the transfer together with its reasons for the refusal.

This must be done as soon as practicable and in any event within 2 months after the date on which the transfer is lodged with the Company.

38.6 The Directors may refuse to register the transfer of a Share.

38.7 The Directors shall refuse to register the transfer of a Share if:-

38.7.1 the Share is not Fully Paid;

38.7.2 the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed;

38.7.3 the transfer is not 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;

38.7.4 the transfer is in respect of more than one class of Share;

38.7.5 the transfer is in favour of more than four transferees; or

38.7.6 that transfer would result in the Company:-

38.7.6.1 contravening any of the provisions of either the RAO or FPA Rules (insofar as they are relevant or applicable to the activities of the Company); or

38.7.6.2 being classed as constituting an alternative investment fund pursuant to the Alternative Investment Fund Managers Directive.

38.8 If the Directors refuse to register the transfer, the Instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

39 Transmission of Shares

39.1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share.

39.2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:-

39.2.1 may, subject to the Articles, choose either to become the Holder of those Shares or to have them transferred to another person; and

39.2.2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the Holder had.

39.3 Transmitttees 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.

39.4 If a Shareholder dies then:-

39.4.1 the survivor or survivors (where he was a joint holder of Shares); or

39.4.2 his personal representatives (where he was a sole holder of Shares or the only survivor of joint holders of Shares),

shall be the only persons recognised by the Company as having any title to his Shares, but nothing contained in these Articles shall release the estate of a deceased holder of Shares from any liability in respect of any Share held by him solely or jointly with other persons.

40 Exercise of Transmittees' rights

40.1 Transmittees who wish to become the Holders of Shares to which they have become entitled must notify the Company in Writing of that wish.

40.2 If the Transmitttee wishes to have a Share transferred to another person, the Transmitttee must execute an Instrument of transfer in respect of it.

40.3 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 Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

41 Transmitttees bound by prior notices

If a notice is given to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice if it was given to the Shareholder before the Transmitttee's name (or the name of any person nominated pursuant to Article 39.2.1) has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

42 Procedure for declaring dividends

42.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.

42.2 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.

42.3 No dividend may be declared or Paid unless it is in accordance with Shareholders' respective rights. If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

42.4 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.

42.5 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.

- 42.6 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.
- 42.7 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.
- 43 Payment of dividends and other distributions
- 43.1 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:-
- 43.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in Writing or as the Directors may otherwise decide;
 - 43.1.2 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;
 - 43.1.3 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
 - 43.1.4 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.
- 43.2 In the Articles, "Distribution Recipient" means, in respect of a Share in respect of which a dividend or other sum is payable:-
- 43.2.1 the Holder of the Share; or
 - 43.2.2 if the Share has two or more joint Holders, whichever of them is named first in the register of members; or
 - 43.2.3 if the Holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmittree.
- 44 Deductions from distributions in respect of sums owed to the Company
- 44.1 If:-
- 44.1.1 a Share is subject to the Company's Lien; and
 - 44.1.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any distribution an amount equivalent to the monies payable to the Company in respect of which the lien exists.

44.2 Any amount so deducted must be used to pay the monies payable to the Company in respect of which the lien exists.

44.3 The Company must notify the Distribution Recipient in Writing of:-

44.3.1 the fact and amount of any such deduction;

44.3.2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

44.3.3 how the money deducted has been applied.

45 No interest on distributions

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

45.1.1 the terms on which the Share was issued; or

45.1.2 the provisions of another agreement between the Holder of that Share and the Company.

46 Unclaimed distributions

46.1 All dividends or other sums which are:-

46.1.1 payable in respect of Shares; and

46.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

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

46.3 If:-

46.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

46.3.2 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.

47 Non-cash distributions

47.1 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).

47.2 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:-

47.2.1 fixing the value of any assets;

47.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

47.2.3 vesting any assets in trustees.

48 Waiver of distributions

48.1 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:-

48.1.1 the Share has more than one Holder; or

48.1.2 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

49 Authority to capitalise and appropriation of capitalised sums

49.1 Subject to the Articles, the Directors may, if they are so authorised by an Ordinary Resolution:-

49.1.1 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

49.1.2 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.

49.2 Capitalised sums must be applied:-

49.2.1 on behalf of the persons entitled; and

49.2.2 in the same proportions as a dividend would have been distributed to them.

49.3 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.

49.4 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.

49.5 Subject to the Articles the Directors may:-

49.5.1 apply capitalised sums in accordance with Articles 49.3 and 49.4 partly in one way and partly in another;

49.5.2 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

49.5.3 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

50 Convening a general meeting

50.1 The Directors may call a general meeting of the Company.

50.2 In accordance with the provisions of the Act, the Shareholders may require the Directors to call a general meeting of the Company provided the request is made by Shareholders representing at least 5% of such of the paid-up capital of the Company as carries the right of voting at general meetings.

- 50.3 A general meeting must be called by notice of at least 14 Clear Days. It may be called by shorter notice than this if agreed to by a majority in number of Shareholders having a right to attend and vote at the meeting, being a majority who together hold not less than 90% in nominal value of the shares giving a right to attend and vote at the meeting.
- 50.4 Notice of a general meeting must be sent to every Shareholder, every Director and the Company's auditors (if any).
- 50.5 A notice of a general meeting must include:-
- 50.5.1 the time, date and place of the meeting;
 - 50.5.2 the general nature of the business to be dealt with at the meeting; and
 - 50.5.3 notification of the Shareholder's right to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at a meeting as set out in section 324 of the Act.
- 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
- 52.1 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.

52.2 If and for so long as the Company has only one Shareholder, the quorum is one qualifying person. In any other case, the quorum is two qualifying persons subject to section 318(2) of the Act. A "qualifying person" means an individual who is a Shareholder, a corporate representative duly authorised under section 323 of the Act, or a person appointed as a proxy of a Shareholder in relation to a meeting.

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; 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:-

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

56.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

56.2 Subject to any rights or restrictions attached to any Shares, on a vote on a resolution on a show of hands:-

56.2.1 every Shareholder who (being an individual) is present in person shall have one vote;

56.2.2 every proxy present who has been duly appointed by one or more Shareholders entitled to vote on the resolution shall have one vote unless Article 56.2.4 or Article 56.2.5 applies;

56.2.3 every Shareholder who (being a corporation) is present by a duly authorised corporate representative shall have one vote and if such Shareholder appoints more than one corporate representative, each such representative shall have one vote;

56.2.4 a proxy has one vote for and one vote against the resolution if he has been duly appointed by more than one Shareholder entitled to vote on the resolution and he has been instructed by one or more of those Shareholders to vote for the resolution and by one or more other of those Shareholders to vote against it;

56.2.5 where a proxy has been duly appointed by more than one Shareholder entitled to vote on the resolution and has received concrete instructions to vote in the same way from one or more of those Shareholders and been given a discretion as to how he votes by one or more other of those Shareholders, he may, if he chooses, cast a second vote the other way under the discretionary authority.

56.3 On a vote on a resolution on a poll taken at a meeting, every Shareholder has one vote in respect of each Share held by him. On a poll, votes may be given personally or by proxy.

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 by:-

58.2.1 the Chairman of the Meeting;

58.2.2 the Directors;

58.2.3 two or more persons having the right to vote on the resolution; or

58.2.4 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.

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.

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 (a "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 either delivered to the Company in accordance with the Articles and any instructions contained in or accompanying the notice of the general meeting or the proxy form, or whose delivery is otherwise accepted by the Chairman of the Meeting at his discretion.

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, his error does not invalidate the vote on that resolution.

WRITTEN RESOLUTIONS

62 Written resolutions

The Shareholders may pass any resolution (other than a resolution to remove a Director or auditor before expiry of his term of office) as a written resolution in accordance with Chapter 2 of Part 13 of the Act.

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 Act provides for Documents or information which are authorised or required by any provision of the 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 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.

65 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' AND COMPANY SECRETARY'S INDEMNITY AND INSURANCE

66 Indemnity

66.1 Subject to Article 66.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:-

66.1.1 each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:-

66.1.1.1 in the actual or purported execution and/or discharge of his duties or in relation to them; and

66.1.1.2 in relation to the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);

including (in each case) any liability incurred by him in defending any civil or criminal proceedings in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach

of duty or breach of trust in relation to the Company's or an associated company's affairs;
and

66.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 66.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

66.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

66.3 In this Article:-

66.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and

66.3.2 a "relevant officer" means any Director, secretary, former Director or former secretary of the Company or an associated company.

67 Insurance

67.1 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.

67.2 In this Article:-

67.2.1 a "relevant officer" means any Director, secretary, former Director or former secretary of the Company or an associated company;

67.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director or relevant secretary in connection with that Director's or secretary's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

67.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.

68 Winding up

68.1 If the Company is wound up, the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Act or other applicable law, divide among the Shareholders in specie the whole or any part of the assets of the Company. The liquidator may for that purpose value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders.

- 68.2 The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he with the like sanction determines but no Shareholder shall be compelled to accept any assets upon which there is liability.