

Company No. 09835244

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## Articles of Association

Local Pensions Partnership Investments Ltd

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Incorporated 21 October 2015

Adopted by written resolution passed on 21 October 2015

Substituted by written resolution passed on 8 April 2016

Amended by written resolution passed on 27 July 2016

Substituted by written resolution passed on 27 January 2020

Amended by written resolution passed on 3 December 2020

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THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

LOCAL PENSIONS PARTNERSHIP INVESTMENTS LTD

Adopted by written resolution passed on 03 December 2020

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INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms

1.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

<b>“2006 Act”</b>	the Companies Act 2006 (as amended from time to time)
<b>“these Articles”</b>	these articles of association as amended from time to time
<b>“bankruptcy”</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy
<b>“Business Day”</b>	any day (other than a Saturday or Sunday or a bank or public holiday in England)
<b>“Chair”</b>	the default chair of Board meetings as chosen by the directors pursuant to Article 11
<b>“Chair of the Company”</b>	has the meaning given in Article 4.3
<b>“Companies Acts”</b>	the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company
<b>“director”</b>	a director of the Company, and includes any person occupying the position of director, by whatever name called
<b>“distribution recipient”</b>	has the meaning given in Article 35.2
<b>“document”</b>	includes, unless otherwise specified, any document sent or supplied in electronic form

<b>“electronic form”</b>	has the meaning given in section 1168 of the Companies Act 2006 but does not, for the avoidance of doubt, include communication via a website
<b>“eligible director”</b>	means a director who is entitled to vote on a resolution of the directors
<b>“Encumbrance”</b>	includes any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option, right of pre-emption or right of conversion) or any mortgage, charge, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property
<b>“fully paid”</b>	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
<b>“FCA”</b>	the Financial Conduct Authority and any successor body
<b>“FCA Rules”</b>	the Handbook of Rules and Guidance of the FCA, as amended, supplemented and replaced from time to time
<b>“hard copy form”</b>	has the meaning given in section 1168 of the Companies Act 2006
<b>“holder”</b>	in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares
<b>“instrument”</b>	means a document in hard copy form
<b>“ordinary resolution”</b>	has the meaning given in section 282 of the Companies Act 2006
<b>“paid”</b>	paid or credited as paid
<b>“participate”</b>	in relation to a directors’ meeting, has the meaning given in Article 9.1
<b>“proxy notice”</b>	has the meaning given in Article 51.1
<b>“member”</b>	a person who is the holder of a Share
<b>“Shares”</b>	the ordinary shares of £1.00 each in the capital of the Company from time to time, having the rights set out in the Articles
Chair of the general meeting	a director so appointed by the other directors for the purposes of chairing the general meeting
<b>“special resolution”</b>	has the meaning given in section 283 of the Companies Act 2006

<b>“the Statutes”</b>	the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
<b>“subsidiary”</b>	has the meaning given in section 1159 of the Companies Act 2006
<b>“United Kingdom”</b>	Great Britain and Northern Ireland
<b>“in writing”</b>	hard copy form or, to the extent agreed (or deemed to be agreed by virtue of a provision of the Statutes) electronic form (but not to include by means of a website)

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Companies Acts and every other statute, order, regulation or other subordinate legislation in force from time to time relating to companies and affecting the Company but excluding any statutory modification of the same not in force when these Articles become binding on the Company.

1.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision

## 2. Liability of members

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

## **DIRECTORS' POWERS AND RESPONSIBILITIES**

### 3. **Directors' general authority**

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

### 4. **Members' reserve power**

4.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

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

4.3 The members have an express power to appoint the Chair of the Company.

### 5. **Directors may delegate**

5.1 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under these Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions,

as they think fit.

5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated, apart from those matters reserved to the Board or members in any ultimate holding Company members agreement.

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

## 6. Committees

6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by directors.

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

## DECISION MAKING BY DIRECTORS

### 7. Directors to take decisions collectively

Any decision of the directors will either be at a directors' meeting or in the form of directors' written resolution by any means (electronic or otherwise) and will be determined by a majority of votes. Requirements for a directors' written resolution are set out in Article 15.

### 8. **Calling a directors' meeting**

8.1 Any director may call a directors' meeting by giving not less than five (5) Business Days' notice of the meeting (except in the case of an emergency) to the directors or by authorising the Company Secretary to give such notice.

8.2 Notice of any directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should simultaneously communicate with each other during the meeting.

- 8.3 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 (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 the meeting.

**9. Participation in directors' meetings**

- 9.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

- (a) the meeting has been called and takes place in accordance with these Articles;  
and
- (b) they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

- 9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to Article 8.2(b), how they communicate with each other.

- 9.3 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.

**10. Quorum for directors' meetings**

- 10.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

- 10.2 Subject to this Article 10, the quorum for directors' meetings shall throughout each meeting be 2 (two) directors including at least 1 (one) non-executive director.

- 10.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the members to appoint further directors.

- 10.4 If there is no quorum participating in any meeting of the directors within thirty (30) minutes after the time fixed for the meeting, the meeting shall be adjourned to such time as the director or directors participating in the meeting shall determine, or, in the absence of any directors participating, to such time as the chair of the preceding directors' meeting shall determine. If there is no quorum participating within thirty (30) minutes after the time fixed for the adjourned meeting, the meeting shall be further adjourned as aforesaid. If there is no quorum participating within thirty (30) minutes after the time fixed for the further adjourned meeting any two directors participating shall constitute a quorum.



10.5 If, as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a directors' meeting then the following shall apply:

- (a) if the eligible directors participating in the meeting do not constitute a quorum then the quorum for the purposes of the meeting shall be reduced by one for each director who cannot vote or be counted in the quorum; and
- (b) if despite Article 10.5(a) 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 members to authorise any situation in which a director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

## 11. **Chairing of directors' meetings**

11.1 The directors may appoint a director to chair their meetings.

11.2 The person so appointed for the time being is known as the chair.

11.3 The directors may terminate the chair's appointment at any time.

11.4 If the chair is not participating in a directors' meeting within ten (10) minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## 12. **Casting vote**

12.1 If the numbers of votes for and against a proposal are equal at a meeting of the directors, the chair or other director chairing the meeting will have a casting vote.

12.2 But this does not apply if, in accordance with Article 10 or any restrictions imposed by the FCA, the chair or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## CONFLICTS OF INTEREST

## 13. **Authorisation of Directors' Conflicts**

13.1 For the purposes of section 175 of the 2006 Act, the directors shall have the power to authorise by resolution and in accordance with the terms of these Articles any Conflict Situation proposed to them in accordance with these Articles.

13.2 The Interested Director must provide the directors with details of the matter giving rise to the Conflict Situation (including the nature and extent of their interest).

13.3 Any Conflict Authorisation will be effective only if:

- (a) to the extent permitted by the Act, the Conflict Situation to which it relates was proposed for authorisation to the directors by any director in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

- (b) any requirement as to the quorum at the directors' meeting at which the Conflict Authorisation is given is met without counting the Interested Director or any other interested directors; and
- (c) the Conflict Authorisation was agreed to without the Interested Director (or any other interested director) voting or would have been agreed to if the vote of the Interested Director (or any other interested director) had not been counted.

13.4 Any Conflict Authorisation given may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict Situation;
- (b) provide that the Interested Director is to be excluded from the receipt of documents and information prepared by, or for, the directors to the extent they relate to matters related to the Conflict Situation;
- (c) provide that the Interested Director is not to participate in discussions (whether at meetings of the directors or otherwise) related to the Conflict Situation;
- (d) provide that the Interested Director will not be an eligible director for the purposes of Article 7 in respect of any future decision of the directors in relation to any resolution related to the Conflict Situation;
- (e) provide that the Interested Director may not vote (or be counted in the quorum) at any directors' meeting or any committee or sub-committee of the directors in relation to any resolution related to the Conflict Situation; and
- (f) be given on such other terms and subject to such other limits or conditions as the directors may determine.

13.5 Where any Conflict Authorisation is given:

- (a) the Interested Director will be obliged to conduct themselves in accordance with any terms, limits or conditions imposed by the directors when giving the Conflict Authorisation;
- (b) where the Interested Director obtains, or has obtained (through their involvement in the Conflict Situation and otherwise than through their position as a director of the Company) information that is confidential to a third party, they will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence;
- (c) the Interested Director may absent themselves from the discussion of matters related to the relevant Conflict Situation at any meeting of the directors but will not be obliged to do so unless the terms of the Conflict Authorisation require it;

- (d) the Interested Director may make arrangements not to receive (or may excuse themselves from reviewing) any documents and information prepared by, or for, the directors to the extent they relate to matters related to the relevant Conflict Situation but will not be obliged to do so unless the terms of the Conflict Authorisation require it;
- (e) the Interested Director will not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the 2006 Act, provided they act in accordance with such terms, limits or conditions (if any) as the directors impose in respect of the Conflict Authorisation; and
- (f) the directors may, at any time, vary the terms or duration of any Conflict Authorisation (including any limits or conditions imposed on it) or revoke any Conflict Authorisation by resolution in accordance with these Articles but this will not affect anything done by the Interested Director in accordance with the terms of such Conflict Authorisation prior to such variation or revocation.

13.6 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 they derive from or in connection with a relationship involving a Conflict Situation which has been authorised by or in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract will be liable to be avoided on such grounds.

#### 14. Declaration of Interests

14.1 Subject to sections 177(5) and 177(6) of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company must declare the nature and extent of their interest to the other directors before the Company enters into the transaction or arrangement in accordance with the 2006 Act.

14.2 Subject to sections 182(5) and 182(6) of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of their interest to the other directors as soon as is reasonably practicable in accordance with the 2006 Act, unless the interest has already been declared under Article 14.1.

14.3 Subject, where applicable, to any terms, limits or conditions imposed by the directors in accordance with Article 13.4 provided the director has declared the nature and extent of their interest in accordance with the requirements of the 2006 Act, a director:

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company;
- (b) may hold any other office or employment with the Company (other than the office of auditor);

- (c) may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
- (d) may, or any firm or Company of which they are a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor);
- (e) will not be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the 2006 Act)) receives or profits made as a result of anything permitted by Articles 14.3(a) to 14.3(d) and no such transaction or arrangement will 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 their duty under section 176 of the 2006 Act;
- (f) except in relation to any resolution to approve a Conflict Situation will be an eligible director for the purposes of Article 7 in relation to any decision of the directors made in accordance with that article in respect of any of the matters referred to in Articles 14.3(a) to 14.3(d);
- (g) except in relation to any resolution to approve a Conflict Situation may participate in the decision making process for voting and quorum purposes on any of the matters referred to in 14.3(a) to 14.3(d).

14.4 The terms of Article 14.1 are subject to the provisions of Articles 14.7 to 14.8.

14.5 For the purposes of these Articles references to decision making process includes any directors' meeting or part of a directors' meeting.

14.6 For the purposes of Articles 14.1 to 14.3:

- (a) a general notice given in accordance with section 185 of the 2006 Act is to be treated as a sufficient declaration of interest;
- (b) a director is not required to declare an interest:
  - (i) where they are not aware (or ought reasonably to be aware) of such interest or of the transaction or arrangement in question;
  - (ii) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (iii) if, or to the extent that, the other directors are already aware (or ought reasonably to be aware) of it;
  - (iv) if, or the extent that, it concerns the terms of their service contract that have been, or are to be, considered by a meeting of the directors or a committee of directors appointed for the purpose under the Company's constitution.
- (c) an interest of a director who appoints an alternate director will be treated as an interest of the alternate director.

- 14.7 Subject to Article 14.8, 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 chair whose ruling in relation to any director other than the chair is to be final and conclusive.
- 14.8 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
15. Written resolutions of directors
- 15.1 The Directors may pass any resolution by way of written resolution signed by a majority of the Directors without the need to hold any physical Board meeting.
- 15.2 Any Director may propose a Directors' written resolution, which is proposed by giving notice of the resolution to the Directors.
- 15.3 Notice of a proposed Directors' written resolution must indicate:-
- (a) The proposed resolution; and
  - (b) The time by which it is proposed that the Directors should adopt it.
- 15.4 Notice of the proposed Directors' written resolution must be given in writing to each Director.
- 15.5 It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted.
- 15.6 The Company Secretary must ensure that the Company keeps a record of all Directors' written resolutions for at least ten years from the date of their adoption.
16. Records of decisions to be kept
- The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
17. **Directors' discretion to make further rules**
- Subject to these Articles, the directors may make any rule which they think fit about how they take decisions subject to those matters reserved to the Board or members as referred to in any ultimate holding Company members agreement, and about how such rules are to be recorded or communicated to directors.

## APPOINTMENT OF DIRECTORS

### 18. Number of directors, appointment and removal

18.1 The number of directors shall not be less than 3 directors.

18.2 Subject to Article 18.1 above, any person who is willing to act as a director and is permitted by law to do so and subject to any necessary approval from the FCA may be appointed as a director:

- (a) By ordinary resolution; or
- (b) By a decision of the directors.

18.3 Subject to Articles 18.1 above, and in addition to any power of removal conferred by the Companies Acts, the Company may remove a Director before their period of office has expired:

- (a) By ordinary resolution; or
- (b) By a decision of the directors;

And, no special notice need be given of any resolution to remove a director in accordance with this Article; and no director proposed to be removed in accordance with this Article has any special right to protest against their removal.

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

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

- (a) that person ceases to be a director by virtue of any provision of the 2006 Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) 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;
- (e) 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; or
- (f) that person is removed from office as a director pursuant to Article 18.1 and 18.3.

### 20. **Directors' remuneration**

- 20.1 Directors may undertake any services for the Company that the directors decide.
- (a) Directors are entitled to such remuneration as the directors determine:
- (i) for their services to the Company as directors, and
- (ii) for any other service which they undertake for the Company.
- 20.2 Subject to these Articles and any applicable restrictions in any ultimate holding Company members agreement, a director's remuneration may:
- (a) take any form, and
- (b) 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.
- 20.3 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 20.4 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.
21. **Directors' expenses**
- The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at
- (a) meetings of directors or committees of directors;
- (b) general meetings; or
- (c) exercise of their powers and the discharge of their responsibilities in relation to the Company in accordance with any expenses policy of the Company as is approved by the directors from time to time.
22. **Directors' powers**
- The directors may procure that the Company borrow and raise money by way of borrowings on behalf of the Company without allowing any prospective lender a right to participate in the share capital of the Company as a condition of any such borrowing or to take any Encumbrance over any of the Shares.
23. **Alternate Directors**
- No alternate directors shall be permitted and accordingly no expenses shall be paid.

## SHARES

### 24. All shares to be fully paid up

24.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

### 25. Power to issue different class of shares

25.1 Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

25.2 Subject to these Articles, but without prejudice to the rights attached to any existing share, 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.

### 26. Issue of shares and pre-emption rights

26.1 In accordance with section 551(1) of the 2006 Act, any issue or allotment of shares in the Company or any grant of rights to subscribe for, or to convert any security into shares must be approved by ordinary resolution of the Company.

26.2 Section 567(1) and (2) of the 2006 Act, sections 561(1) and 562 (1) to (5) (inclusive) of that Act shall not apply to the Company.

### 27. Purchase of own shares

27.1 Following any purchase by the Company of its own shares in accordance with the provisions of the 2006 Act, and/or in accordance with the requirements of these Articles, all the purchased shares shall be immediately cancelled.

27.2 Subject to the 2006 Act, but without prejudice to any other provision of these Articles, the Company may purchase or redeem its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

(a) £15,000; and

(b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

### 28. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.



29. Share certificates

29.1 The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

29.2 Every certificate must specify:

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

29.3 No certificate may be issued in respect of shares of more than one class.

29.4 If more than one person holds a share, only one certificate may be issued in respect of it.

29.5 Certificates must either:

- (a) have affixed to them the Company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

30. Replacement share certificates

30.1 If a certificate issued in respect of a member's shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed

that member is entitled to be issued with a replacement certificate in respect of the same shares.

30.2 A member exercising the right to be issued with such a replacement certificate:

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

31. Transfer of shares

In these Articles, references to a transfer of a share include the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

32. Transfers null and void

Except for a purchase by the Company of its own shares in accordance with the provisions of the 2006 Act and these Articles, any transfer or purported transfer of a share shall be null and void and of no effect.

33. No registration of transfers

The Directors shall refuse to register any transfer of a Share.

DIVIDENDS AND OTHER DISTRIBUTIONS

34. Procedure for declaring dividends

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

- (a) 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.
- (b) No dividend may be declared or paid unless it is in accordance with members' respective rights.
- (c) Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each members' holding of shares on the date of the resolution or decision to declare or pay it.
- (d) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

35. Payment of dividends and other distributions

35.1 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:

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address;

- (c) 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
  - (d) 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.
- 35.2 In these Articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
  - (a) the holder of the share; or
  - (b) if the share has two or more joint holders, whichever of them is named first in the register of members.
- 36. No interest on distributions
- 36.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
  - (a) the terms on which the share was issued, or
  - (b) the provisions of another agreement between the holder of that share and the Company.
- 37. Unclaimed distributions
- 37.1 All dividends or other sums which are:
  - (a) payable in respect of shares, and
  - (b) unclaimed after having been declared or become payable,
- 37.2 may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.
- 37.3 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 37.4 If:
  - (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - (b) the distribution recipient has not claimed it,
- 37.5 the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

38. Non-cash distributions

38.1 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).

38.2 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:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

39. Waiver of distributions

39.1 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:

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share.

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

40. Authority to capitalise and appropriation of capitalised sums

40.1 Subject to these Articles, the directors may, if they are so authorised by an ordinary resolution:

- (a) 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
- (b) 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.

40.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

- 40.3 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.
- 40.4 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.
- 40.5 Subject to these Articles the directors may:
- (a) apply capitalised sums in accordance with Articles 40.3 and 40.4 partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article 40 (including the issuing of fractional certificates or the making of cash payments); and
  - (c) 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 40.

#### 41. Return of capital rights

The rights as regards return of capital attaching to each class of shares shall be as set out in this Article 41. On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt any debts arising from non-payment of cumulative dividends) shall be distributed amongst the holders of the shares according to the amount paid up or credited as paid up on each such share.

### DECISION MAKING BY MEMBERS

#### ORGANISATION OF GENERAL MEETINGS

#### 42. Notice of general meetings

- 42.1 Every notice convening a general meeting shall be in accordance with section 307 of the 2006 Act:
- (a) comply with section 325(1) of the 2006 Act as to giving information to members relating to their right to appoint proxies; and
  - (b) be given in accordance with section 308 of the 2006 Act that it must be given in hard copy form, electronic form or by means of a website, in accordance with section 302 of the 2006 Act.

43. Attendance and speaking at general meetings
- 43.1 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.
- 43.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) 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.
- 43.3 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.
- 43.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 43.5 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.
44. Quorum for general meetings
- A quorum shall consist of one third in number of the members of the Company for the time being present by proxy or by representative.
45. Chairing general meetings
- 45.1 If the Directors' have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
- 45.2 If the Directors' have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start, the meeting must appoint a director or member to chair the meeting by simple majority, and the appointment of the chair of the meeting must be the first business of the meeting.
- 45.3 The person chairing a meeting in accordance with this Article 45 is referred to as "the chair of the general meeting".
46. Attendance and speaking by directors and non-members
- 46.1 Directors may attend and speak at general meetings, whether or not they are members.
- 46.2 The chair of the meeting may permit other persons who are not:
- (a) members of the Company, or

- (b) otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

47. Adjournment

- 47.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present.
- 47.2 If a quorum is not present within ten (10) minutes from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned until such other day and at such other place as the chair of the meeting may determine (or, if the chair does not so determine any outstanding business to be discussed at the meeting shall be adjourned to the next general meeting) and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same such adjourned general meeting, the general meeting shall be dissolved.

VOTES AT GENERAL MEETINGS

48. Voting: General

A resolution put to the vote of a general meeting must be decided on a show of hands. No resolution shall be decided on a poll.

49. Voting: Members

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a written resolution every holder of shares has one vote in respect of each share held by them and on a show of hands at a general meeting every holder of shares entitled to vote and who is present by a representative has one vote.

50. Errors and disputes

- 50.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 50.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

51. Content of proxy notices

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

- (a) states the name and address of the member appointing the proxy;
- (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

- (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 51.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 51.3 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.
- 51.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - (a) 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
  - (b) 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.
- 52. Delivery of proxy notices
- 52.1 A person who is entitled to attend, speak or vote 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.
- 52.2 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.
- 52.3 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.
- 52.4 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.

## RESOLUTIONS

- 53. Written resolutions
- 53.1 With the exception of resolutions under section 168 and section 510 of the 2006 Act, a written resolution may be passed by means of a simple majority under section 281 of the 2006 Act.
- 53.2 A written resolution must be in accordance with section 288 to 300 of the 2006 Act.
- 53.3 A member's agreement to a written resolution, once signified, may not be revoked (section 296(3)) of the 2006 Act.
- 53.4 A written resolution is passed when the required majority of eligible members have signified their agreement to it (section 296(4)) of the 2006 Act.



54. Amendments to resolutions

54.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

54.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

54.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

ADMINISTRATIVE ARRANGEMENTS

55. Company communication provisions

55.1 Where:-

- (a) a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and
- (b) the Company is able to show that it was properly addressed, prepaid and posted,

it is deemed to have been received by the intended recipient 48 hours after it was posted (unless the Company can demonstrate that such properly addressed (to an address in the United Kingdom) and posted document or information was prepaid by first class post in which case it shall be deemed to have been received by the intended recipient 24 hours after it was posted).

55.2 Where:-

- (a) a document or information is sent or supplied in electronic form, and
- (b) the Company is able to show that it was properly addressed,

it is deemed to have been received by the intended recipient immediately after it was sent.

- 55.3 Where a document of information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient:
- (a) when the material was first made available in the website; or
  - (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 55.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by Articles 55.1 to 55.3.
- 55.5 Subject to any requirements of the 2006 Act, documents and notices may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.
56. Means of communication used
- 56.1 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 2006 Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 56.2 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.
- 56.3 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.
57. Company seals
- 57.1 Any common seal may only be used by the authority of the directors.
- 57.2 The directors may decide by what means and in what form any common seal is to be used.
- 57.3 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.
- 57.4 For the purposes of this Article 57 an authorised person is:
- (a) any director of the Company;
  - (b) the Company secretary (if any); or

- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied or in accordance with the Company's authorised signatory list

58. No right to inspect accounts and other records

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

59. 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.

60. Registered Office

The Company's registered office is to be situated in England and Wales.

61. **DIRECTORS' INDEMNITY AND INSURANCE**

61.1 Indemnity

Subject to, and so far as may be permitted by, the 2006 Act and the FCA Rules and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, director, secretary or other officer of the Company or of any associated Company (as defined in section 256 of the 2006 Act) against any liabilities incurred by them in the execution and discharge of their duties or the exercise of their powers or otherwise in relation to or in connection with their duties, powers or office, including any liability which may attach to them in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done by them as a director, former director, director, secretary or other officer of the Company or of any such associated Company and against any such liability incurred by them in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the 2006 Act.

61.2 Insurance

Subject to the 2006 Act the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, director, secretary or other officer of the Company or of any associated Company (as defined in section 256 of the 2006 Act) against any liability which may attach to them in respect of any negligence, default, breach of duty or breach of trust by them in relation to the Company (or such associated Company), including anything done or omitted to be done or alleged to have been done by them as a director, former director, director, secretary or other officer of the Company or associated Company.