

**FILE COPY**



**CERTIFICATE OF INCORPORATION  
OF A  
PRIVATE LIMITED COMPANY**

Company Number **10557229**

The Registrar of Companies for England and Wales, hereby certifies that

**CLOSE FAMILY FINANCE LTD**

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **11th January 2017**



\* N10557229I \*



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**



Companies House

**IN01**<sub>(ef)</sub>

**Application to register a company**



*Received for filing in Electronic Format on the:***10/01/2017**

**X5XSW4BE**

*Company Name in  
full:*

**CLOSE FAMILY FINANCE LTD**

*Company Type:*

**Private company limited by shares**

*Situation of  
Registered Office:*

**England and Wales**

*Proposed Registered  
Office Address:*

**WOODBOROUGH MANOR 70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM NG14 6EA**

*Sic Codes:*

**64999**

## *Proposed Officers*

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*Company Director*      *1*

*Type:*                      **Person**

*Full Forename(s):*        **MR RICHARD**

*Surname:*                **CLOSE**

*Service Address:*        **WOODBOROUGH MANOR 70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM NG14 6EA**

*Country/State Usually  
Resident:*                **UNITED KINGDOM**

*Date of Birth:*    **\*\*/12/1943**                      *Nationality:*    **BRITISH**

*Occupation:*    **RETIRED**

*The subscribers confirm that the person named has consented to act as a director.*

*Company Director* 2

*Type:* **Person**

*Full Forename(s):* **MRS JEANNETTE**

Surname: **CLOSE**

*Service Address:* **WOODBOROUGH MANOR 70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM NG14 6EA**

Country/State Usually Resident: UNITED KINGDOM

*Date of Birth:*   **\*\*/12/1943**                      *Nationality:*    **BRITISH**

*Occupation:* **RETIRED**

*The subscribers confirm that the person named has consented to act as a director.*

## *Statement of Capital (Share Capital)*

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<i>Class of Shares:</i>	<b>A</b>	<i>Number allotted</i>	<b>50</b>
	<b>ORDINARY</b>	<i>Aggregate nominal value:</i>	<b>50</b>
<i>Currency:</i>	<b>GBP</b>		
<i>Prescribed particulars</i>			

**THE SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION (INCLUDING ON WINDING UP) RIGHTS; THEY DO NOT CONFER ANY RIGHTS OF REDEMPTION.**

<i>Class of Shares:</i>	<b>B</b>	<i>Number allotted</i>	<b>50</b>
	<b>ORDINARY</b>	<i>Aggregate nominal value:</i>	<b>50</b>
<i>Currency:</i>	<b>GBP</b>		
<i>Prescribed particulars</i>			

**THE SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION (INCLUDING ON WINDING UP) RIGHTS; THEY DO NOT CONFER ANY RIGHTS OF REDEMPTION.**

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### **Statement of Capital (Totals)**

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<i>Currency:</i>	<b>GBP</b>	<i>Total number of shares:</i>	<b>100</b>
		<i>Total aggregate nominal value:</i>	<b>100</b>
		<i>Total aggregate unpaid:</i>	<b>0</b>

## *Initial Shareholdings*

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*Name:* **JEANNETTE CLOSE**

*Address* **WOODBOROUGH MANOR  
70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM  
NG14 6EA**

*Class of Shares:* **B ORDINARY**

*Number of shares:* **50**

*Currency:* **GBP**

*Nominal value of each share:* **1**

*Amount unpaid:* **0**

*Amount paid:* **1**

*Name:* **RICHARD CLOSE**

*Address* **WOODBOROUGH MANOR  
70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM  
NG14 6EA**

*Class of Shares:* **A ORDINARY**

*Number of shares:* **50**

*Currency:* **GBP**

*Nominal value of each share:* **1**

*Amount unpaid:* **0**

*Amount paid:* **1**

## ***Persons with Significant Control (PSC)***

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### **Statement of initial significant control**

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**On incorporation, there will be someone who will count as a Person with Significant Control (either a registerable person or relevant legal entity (RLE)) in relation to the company**

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## ***Individual Person with Significant Control details***

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*Names:* **MRS JEANNETTE CLOSE**

*Country/State Usually Resident:* **UNITED KINGDOM**

*Date of Birth:* **\*\*/12/1943** *Nationality:* **BRITISH**

*Service Address:* **WOODBOROUGH MANOR 70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM  
NG14 6EA**

*The subscribers confirm that each person named as an individual PSC in this application knows that their particulars are being supplied as part of this application.*



<i>Nature of control</i>	The person holds, directly or indirectly, more than 25 % but not more than 50 % of the shares in the company.
<i>Nature of control</i>	The person holds, directly or indirectly, more than 25 % but not more than 50 % of the voting rights in the company.
<i>Nature of control</i>	The person has the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.

## ***Individual Person with Significant Control details***

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*Names:* **MR RICHARD CLOSE**

*Country/State Usually Resident:* **UNITED KINGDOM**

*Date of Birth:* **\*\*/12/1943** *Nationality:* **BRITISH**

*Service Address:* **WOODBOROUGH MANOR 70 MAIN STREET  
WOODBOROUGH  
NOTTINGHAMSHIRE  
UNITED KINGDOM  
NG14 6EA**

*The subscribers confirm that each person named as an individual PSC in this application knows that their particulars are being supplied as part of this application.*

<i>Nature of control</i>	The person holds, directly or indirectly, more than 25 % but not more than 50 % of the shares in the company.
<i>Nature of control</i>	The person holds, directly or indirectly, more than 25 % but not more than 50 % of the voting rights in the company.
<i>Nature of control</i>	The person has the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.

## ***Statement of Compliance***

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*I confirm the requirements of the Companies Act 2006 as to registration have been complied with.*

*Name:* **JEANNETTE CLOSE**

*Authenticated* **YES**

*Name:* **RICHARD CLOSE**

*Authenticated* **YES**

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## ***Authorisation***

*Authoriser Designation:* **subscriber**

*Authenticated* **YES**

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**COMPANY HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**

**OF**

**CLOSE FAMILY FINANCE LTD**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

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<b>Name of each subscriber</b>	<b>Authentication subscriber</b>	<b>by</b>	<b>each</b>
Richard Close			
Jeannette Close			

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Dated: 10 January 2017



# ARTICLES OF ASSOCIATION

## OF

### CLOSE FAMILY FINANCE LTD

#### PART 1

##### INTERPRETATION AND LIMITATION OF LIABILITY

#### 1. Defined terms

##### 1.1 In these articles, unless the context requires otherwise:

<b>A Directors</b>	has the meaning given in article 20.1;
<b>Appointor</b>	has the meaning given in article 7;
<b>A Shareholder</b>	means the holder of the A Shares from time to time;
<b>A Shares</b>	means the A ordinary shares of £1 each in the capital of the Company;
<b>B Directors</b>	has the meaning given in article 20.2;
<b>B Shareholder</b>	means the holder of the B Shares from time to time;
<b>B Shares</b>	means the B ordinary shares of £1 each in the capital of the Company;
<b>Business Day</b>	means a day (other than a Saturday or Sunday) on which banks are open for business in London;
<b>call</b>	has the meaning given in article 27;
<b>call notice</b>	has the meaning given in article 27;
<b>call payment date</b>	has the meaning given in article 30;
<b>capitalised sum</b>	has the meaning given in article 55;
<b>chairman</b>	has the meaning given in article 14;
<b>chairman of the general meeting</b>	has the meaning given in article 58;
<b>Companies Acts</b>	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

<b>Company's Group</b>	means the Company and its subsidiaries from time to time;
<b>Company's lien</b>	has the meaning given in article 25.1;
<b>CTA</b>	means Corporation Tax Act 2010;
<b>director</b>	means 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 48;
<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;
<b>Family Trust</b>	means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which no beneficial interest in the shares in question is for the time being or may in future be vested in any person other than a member or any person who would have been a member had it not transferred its shares to such trust (or a deceased member) or a Related Person of any such member or person (or deceased member);
<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>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>ordinary resolution</b>	has the meaning given in section 282 of the Companies Act 2006;
<b>paid</b>	means paid or credited as paid;
<b>participate</b>	in relation to a directors' meeting, has the meaning given in article 12;
<b>persons entitled</b>	has the meaning given in article 55;
<b>Preference Shares</b>	means the Preference Shares of £1.00 each in the share capital of the Company;



<b>Pro Rata Entitlement</b>	has the meaning given in article 42.6;
<b>proxy notice</b>	has the meaning given in article 64;
<b>purchaser(s)</b>	has the meaning given in article 42.11;
<b>Related Person</b>	means Richard Close, Jeannette Close, Ashley Close, Charlotte Shipley (including any other surname which she may bear), Lyndon Close, Adrian Close, Alan Close and any lineal descendant of those individuals listed therein;
<b>relevant director</b>	has the meaning given in article 71;
<b>relevant loss</b>	has the meaning given in article 72;
<b>relevant officer</b>	has the meaning given in article 72;
<b>relevant rate</b>	has the meaning given in article 30;
<b>Shareholders</b>	means the A Shareholder and the B Shareholder;
<b>Share Price</b>	has the meaning given in article 42.1;
<b>shares</b>	means shares in the Company;
<b>special resolution</b>	has the meaning given in section 283 of the Companies Act 2006;
<b>subsidiary</b>	has the meaning given in section 1159 of the Companies Act 2006 (but after making the modifications to that statutory meaning described below);
<b>Total Transfer Condition</b>	has the meaning given in article 42.1;
<b>Transfer Notice</b>	has the meaning given in article 42.1;
<b>Transferor</b>	has the meaning given in article 42.1;
<b>Transfer Shares</b>	has the meaning given in article 42.1;
<b>transmittee</b>	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;
<b>writing</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods which enables the recipient to read and retain those words, symbols or other information, whether sent or supplied in electronic form or otherwise;

a person shall be deemed to be “connected” with another if that person is connected with that other within the meaning of section 1122 of CTA;

in relation to the definitions of “Group” and “subsidiary” in these articles:

- (a) paragraph 6(1) of schedule 6 to the Companies Act 2006 shall be reworded as follows: “Rights held by a person (“A”) as nominee for another (“B”) shall be treated as held by B, and where A has been registered as a member of the company as nominee for B, B shall be deemed to be a member of the company in place of A in respect of all shares to which the nomination relates.”; and
- (b) paragraph 7 of schedule 6 to the Companies Act 2006 shall be modified as follows: there shall be inserted after the words “shall be treated as held by the person providing the security” the following “(and if, in connection with or as a consequence of the provision of that security, some person other than the person providing the security is registered as a member of the company in respect of shares which are subject to the security, the person providing the security shall be deemed to be registered as a member of the company in respect of those shares)”; and

words importing the singular number include the plural and vice versa and words importing one gender include all genders.

- 1.2 Unless the context otherwise requires, other words or expressions used in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company.
- 1.3 No regulations set out in any schedule to, or contained in any order, regulation or other subordinate legislation made under, any statute concerning companies shall apply as regulations or articles of the Company.
- 2. Liability of members**
  - 2.1 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 provisions of 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. Shareholders’ reserve power**
  - 4.1 The shareholders 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.

## **5. Directors may delegate**

5.1 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.

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.

## **ALTERNATE DIRECTORS**

### **7. Appointment and removal of alternates**

7.1 Any director (the "appointor") may appoint as an alternate director any other director, or any other person approved by the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities

in relation to the taking of decisions by the directors in the absence of the appointor.

7.2 Any appointment or removal of an alternate must be in writing signed by the appointor and delivered to the Company.

7.3 The notice must:

- (a) identify the proposed alternate; and

- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

## **8. Rights and responsibilities of alternate directors**

- 8.1 An alternate director has the same rights, in relation to any directors' meeting, directors' written resolution or decision-making, as his appointor. An alternate director's rights may be exercised only in the absence of his appointor but, subject to articles 8.3 and 8.4, in the case of an alternate director who is also a director are in addition to any rights which the alternate has as a director in his own right.
- 8.2 Except as these articles specify otherwise, an alternate director:
  - (a) is deemed for all purposes to be a director;
  - (b) is liable for his own acts and omissions;
  - (c) is subject to the same restrictions as his appointor; and
  - (d) is not deemed to be the agent of his appointor.
- 8.3 Subject to article 8.4, an alternate director may be counted as participating for the purposes of determining whether a quorum is participating (but only if his appointor is not participating). However, no alternate may be counted as more than one director for the purposes of determining whether a quorum is participating.
- 8.4 An alternate director (in his capacity as such) shall be precluded from voting, counting in the quorum or attending any part of a directors' meeting if his appointor would have been so precluded.
- 8.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of his appointor's remuneration as the appointor may direct by notice in writing to the Company.

## **9. Termination of alternate directorship**

- 9.1 An alternate director's appointment as an alternate terminates:
  - (a) when his appointor revokes the appointment by notice in writing to the Company;
  - (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's appointment as a director;
  - (c) on the death of his appointor; or
  - (d) when his appointor's appointment as a director terminates.

## **DECISION-MAKING BY DIRECTORS**

### **10. Directors to take decisions collectively**

10.1 The general rule about decision-making by directors is that any decision of the directors must be a majority decision taken in one of the following ways:

- (a) at a meeting of the directors;
- (b) by written resolution, copies of which have been signed by an A Director and a B Director or to which the A Director and the B Director has otherwise indicated agreement in writing.

10.2 If the Company has only one director, the general rule does not apply, meaning the director may take decisions without regard to any of the provisions of these articles relating to directors' decision-making (other than the rules about quorum in article 13).

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

11.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

11.2 Notice of any directors' meeting must indicate:

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

11.3 Notice of a directors' meeting must be given to each director, but need not be in writing.

11.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company either before or 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 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 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 or to adjourn the meeting.

13.2 The quorum at any directors' meeting shall be two, one of whom shall be an A Director and one of whom a B Director except that:

- (a) if there is no A Director in office, the quorum shall be one B Director;
- (b) if there is no B Director in office, the quorum shall be one A Director;
- (c) if either an A Director or B Director is not counted in the quorum by reason of a conflict of interest or duties then the quorum shall be one.

13.3 If within half an hour of the time at which the meeting was to start a quorum is not present, the meeting shall be adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the directors may decide, and if at the adjourned meeting a quorum is not present within half an hour from the time at which the meeting was to start, then the directors present shall be a quorum for the purpose only of calling a general meeting and adjourning the directors' meeting until immediately after that general meeting has been held.

13.4 If the total number of directors for the time being is less than any quorum required, the directors must not take any decision at a directors' meeting other than a decision:

- (a) to appoint further directors; or
- (b) to call a general meeting (or circulate a written resolution) so as to enable the shareholders to appoint further directors.

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

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

14.2 The person so appointed for the time being is known as the chairman.

14.3 The directors may terminate the chairman's appointment at any time.

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

### **15. Casting vote**

15.1 If the number of votes for and against a proposal are equal, the A Director has a casting vote.

## **16. Conflicts of interest**

- 16.1 No director shall be entitled to vote on or count in the quorum for the purposes of any resolution concerning a matter in which he has directly or indirectly an interest or duty which is material and which conflicts with the interests of the Company. Such director shall still be entitled to receive notice of and attend and speak at any directors' meeting at which a resolution is proposed on which, by virtue of this article **16.1**, such director is not entitled to vote. This article **16.1** shall not apply to any matter if both the A Director and the B Director has a conflict in respect of such matter.
- 16.2 Subject to the Companies Acts, and provided he has complied with his duty (if any) to declare his interest in accordance with section 177 of the Companies Act 2006, a director shall not be accountable to the Company for any benefit which he derives from any transaction or arrangement with the Company or in which the Company is otherwise interested and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 16.3 If the directors propose to authorise a director's conflict of interest in accordance with section 175 of the Companies Act 2006, the director in question and any other interested director shall not be counted as participating in the decision-making process for quorum or voting purposes.
- 16.4 When authorising a conflict of interest, the directors may attach conditions and limits to the authorisation, specify any particular rules of conduct to be followed in relation to the conflict and may relieve the director concerned from any obligation to communicate any confidential information relating to the conflict to the Company or to use it for the Company's benefit in circumstances where that confidential information is received by him in a capacity other than that of director or employee of the Company.

## **17. Directors' discretion to make further rules**

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

## **APPOINTMENT OF DIRECTORS**

### **18. Number of directors**

- 18.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be less than two nor more than two.

### **19. Methods of appointing directors**

- 19.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed as a director:
- (a) by ordinary resolution; or
  - (b) by a decision of the directors.

19.2 If, 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.

19.3 For the purposes of article 19.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

## **20. Appointment and retirement of the A Director and the B Director**

20.1 The A Shareholder shall be entitled to appoint one person as a director (such director being the “**A Director**”) and to remove any such director and appoint another person to be an A Director in his place. Any such appointment or removal of an A Director shall be effected by a notice in writing signed or approved by the A Shareholder or on his behalf by a duly authorised representative and shall take effect, subject, in the case of an appointment, to the person to be appointed signing a consent to act upon notification to the Company. Subject to article 16.1 and to compliance with all his other duties as a director of the Company, the A Director shall be entitled for the purpose of section 173 of the Companies Act 2006 to have regard to and promote the interests of the A Shareholder when discharging his functions.

20.2 The B Shareholder shall be entitled to appoint one director (such director being the “**B Director**”) and to remove such director and appoint another person to be the B Director in his place. Any such appointment or removal of the B Director shall be effected by notice in writing signed or approved by the B Shareholder or on his behalf by a duly authorised representative and shall take effect, subject, in the case of an appointment, to the person to be appointed signing a consent to act upon notification to the Company. Subject to article 16.1 and to compliance with all his other duties as a director of the Company, the B Director shall be entitled for the purpose of section 173 of the Companies Act 2006 to have regard to and promote the interests of the B Shareholder when discharging his functions.

20.3 The holders of the Preference Shares are not entitled to appoint a director.

## **21. Termination of director’s appointment**

21.1 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 Companies Act 2006 or is prohibited from being a director by law;
- (b) a registered medical practitioner who is treating, or has examined, 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;
- (c) that person dies;
- (d) the Company receives written notice from the director that he is resigning from office, and such resignation has taken effect in accordance with its terms; or



- (e) the Company receives written notice effecting the termination of that person's appointment in accordance with article 20.

## **22. Directors' remuneration**

22.1 Directors may undertake any services for the Company that the directors decide. A director may hold any other office or place of profit under the Company, other than that of auditor, upon such terms as the directors may decide. Any director may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as if he were not a director.

22.2 Directors are entitled to such remuneration as the directors determine:

- (a) for their services to the Company as directors; and
- (b) for any other service which they undertake for the Company.

22.3 Subject to these articles, 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.

22.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

22.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

## **23. Directors' expenses**

23.1 The Company will 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) separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## PART 3

### SHARES AND DISTRIBUTIONS

#### 24. Share capital

- 24.1 The share capital of the Company at the date of adoption of these articles is divided into A ordinary shares of £1 each and B ordinary shares of £1 each and Preference Shares of £1 each. Except as expressly mentioned in these articles (which in the case of the Preference Shares means the right to appoint a director, a right of redemption, voting rights and, quorum, a right to dividend and pre-emption rights on a fresh issue), the A Shares and the B Shares and the Preference Shares rank *pari passu* in all respects.

### PARTLY PAID SHARES

#### 25. Company's lien over partly paid shares

- 25.1 The Company has a lien (the "**Company's lien**") over every share, whether fully paid or not, and over all shares registered in the name of any person whether he is the sole holder or a joint holder of those shares, for any part of:

- (a) that share's nominal value;
- (b) any premium at which it was issued; and
- (c) for all monies owing to the Company from time to time by the holder or his estate either alone or jointly with another person, whether as a member or not and whether or not due for payment

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

- 25.2 The Company's lien over a share:

- (a) takes priority over any third party's interest in that share; and
- (b) 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.

- 25.3 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.

#### 26. Enforcement of the Company's lien

- 26.1 Subject to the provisions of this article **26**, if:

- (a) a lien enforcement notice has been given in respect of a share; and
- (b) 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.

**26.2 A lien enforcement notice:**

- (a) may be given only in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the share concerned;
- (c) must require payment of the sum payable within 14 days of the notice;
- (d) 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
- (e) must state the Company's intention to sell the share if the notice is not complied with.

**26.3 Where shares are sold under this article 26:**

- (a) the directors may authorise any person to execute a document of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- (b) 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.

**26.4 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:**

- (a) 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;
- (b) second, to the person entitled to the shares immediately prior to 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 certificate, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable or which will become payable in respect of the shares after the date of the lien enforcement notice.

**26.5 A written statement signed by a director that a share has been sold to satisfy the Company's lien on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.**

**27. Call notices**

**27.1 Subject to these articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the Company a specified sum of money (a "call") which is payable in respect of shares which that member holds at the date when the directors send the call notice.**

**27.2 A call notice:**

- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium);
  - (b) must state when and how the call is to be paid; and
  - (c) may permit or require the call to be paid by instalments.
- 27.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- 27.4 Before the Company has received any call due under a call notice, the directors may:
  - (a) revoke it wholly or in part; or
  - (b) specify a later time for payment than is specified in the noticeby a further notice in writing to the member in respect of whose shares the call is made.

## **28. Liability to pay calls**

- 28.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 28.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 28.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:
  - (a) to pay calls which are not the same; or
  - (b) to pay calls at different times.

## **29. When call notice need not be issued**

- 29.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
  - (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- 29.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

### **30. Failure to comply with call notice: automatic consequences**

30.1 If a person is liable to pay a call and fails to do so by the call payment date:

- (a) the directors may issue a notice of intended forfeiture to that person; and
- (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

30.2 For the purposes of this article 30:

- (a) the “**call payment date**” is the time when the call notice states that a call is payable, or, in a case falling within article 29, means the due date for payment, unless the directors give a notice specifying a later date, in which case the “**call payment date**” is that later date; and
- (b) the “**relevant rate**” is:
  - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
  - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
  - (iii) if no rate is fixed in either of these ways, 5 per cent per annum.

30.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

30.4 The directors may waive any obligation to pay interest on a call wholly or in part.

### **31. Notice of intended forfeiture**

31.1 A notice of intended forfeiture:

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder’s death, bankruptcy or otherwise;
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

## **32. Directors' power to forfeit shares**

- 32.1 If a notice of intended forfeiture is not complied with, the directors may decide that any share in respect of which it was given is forfeited, and any forfeiture shall include all dividends or other moneys payable in respect of the forfeited share and not paid before the forfeiture.

## **33. Effect of forfeiture**

- 33.1 Subject to these articles, the forfeiture of a share extinguishes:

- (a) all interests in that share, and all claims and demands against the Company in respect of it; and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

- 33.2 Any share which is forfeited in accordance with these articles:

- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
- (b) is deemed to be the property of the Company; and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.

- 33.3 If a person's shares have been forfeited:

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person ceases to be a member in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation;
- (d) that person remains liable to the Company for all sums payable by that person under these articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

- 33.4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

## **34. Procedure following forfeiture**

- 34.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the document of transfer.

- 34.2 A written statement signed by a director that a share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.
- 34.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 34.4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
- (a) was, or would have become, payable; and
  - (b) had not, when that share was forfeited, been paid
- by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

### **35. Surrender of shares**

- 35.1 A member may surrender any share:
- (a) in respect of which the directors may issue a notice of intended forfeiture; or
  - (b) which the directors may forfeit.
- 35.2 The directors may accept the surrender of any such share, and a share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

## **SHARES**

### **36. Powers to issue different classes of share**

- 36.1 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 or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the directors may decide.
- 36.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 36.3 No shares of either class shall be issued otherwise than to members holding shares of the same class without the prior written consent of all the members.

**37. Company not bound by less than absolute interests**

- 37.1 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.

**38. Share certificates**

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

- 38.2 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) the amount paid up on the shares; and
- (d) any distinguishing numbers assigned to them.

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

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

- 38.5 Certificates must:

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

**39. Replacement share certificates**

- 39.1 If a certificate issued in respect of a shareholder's shares is:

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

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

- 39.2 A shareholder exercising the right to be issued with such a replacement certificate:

- (a) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (b) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.



#### **40. Share transfers: general**

- 40.1 Shares may be transferred by means of a document of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor or (if article 26.3, 34.1, 42.12 applies) other person authorised by the directors. A document of transfer of shares must be in hard copy form.
- 40.2 No fee may be charged for registering any document of transfer or other document relating to or affecting the title to any share.
- 40.3 The Company may retain any document of transfer which is registered.
- 40.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

#### **41. Share transfers permitted**

- 41.1 No member shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share other than:

- (a) with the prior written consent of the other members;
- (b) in accordance with article 41.2;
- (c) following the service of a Transfer Notice in accordance with article 42.

- 41.2 Shares may be transferred in accordance with the following paragraphs:

- (a) a member being an individual may transfer all or some of his shares to a Related Person or the trustees of his Family Trust;
- (b) the trustees of a Family Trust may, on a change of trustees, transfer all (but not some only) of the shares held by them in that capacity to the new trustees of that Family Trust;
- (c) the trustees of a Family Trust may also transfer all or some of the shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust,

but the trustee of a Family Trust may not transfer shares subject to that trust to a Related Person of his except where permitted under paragraph (b) or (c).

If a Family Trust whose trustees hold shares ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and, if the directors so direct, shall be deemed to have served the Company with a Transfer Notice in respect of those shares.

- 41.3 Save where all the members agree otherwise in writing, whenever a share is transferred to a member holding shares only of another class, the transferred share shall immediately be redesignated as a share of such other class.
- 41.4 The directors shall forthwith register any duly stamped transfer made in accordance with these articles and shall not have any discretion to register

any transfer of shares which has not been made in accordance with these articles.

## **42. Pre-emption rights**

- 42.1 Except as permitted under article **41.1(a)** and **40.1(b)** any member wishing to transfer some or all of its shares (the “**Transferor**”) shall give a written notice (a “**Transfer Notice**”) to the directors in which the Transferor shall specify:
- (a) the number and class of shares which the Transferor wishes to transfer (the “**Transfer Shares**”);
  - (b) the price at which the Transferor wishes to sell the Transfer Shares (the “**Share Price**”) and the identity of any person who has indicated a willingness to purchase the Transfer Shares at the Share Price; and
  - (c) whether the Transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the provisions of articles **42.2** to **42.13**, none shall be so sold), and in the absence of such a statement, the Transfer Notice shall be deemed not to contain a Total Transfer Condition.
- 42.2 Any two or more members shall be entitled to serve a joint Transfer Notice (meaning a notice signed or approved by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall take effect, subject to article **42.3**, as if it were a single Transfer Notice and the Total Transfer Condition related to all the shares the subject of the joint Transfer Notice, but the obligations of those members in respect thereof shall be several only in respect of their own shares respectively.
- 42.3 Where a joint Transfer Notice is given in respect of more than one class of share, it shall be deemed to comprise a number of separate Transfer Notices, one in respect of each such class. However, where two or more Transferors serve a joint Transfer Notice in respect of more than one class of shares, they may stipulate in such notice that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.
- 42.4 The Transfer Notice shall constitute the Company (by the directors) as the agent of the Transferor empowered to sell the Transfer Shares (together with all the rights attaching thereto at the date of the Transfer Notice and at any time thereafter) at the Share Price in accordance with article **42**. Once given, a Transfer Notice may not be revoked save with the prior written consent of all the other members.
- 42.5 Within five Business Days after the receipt of any Transfer Notice, the directors shall serve a copy of such Transfer Notice on all the members other than the Transferor.
- 42.6 The Transfer Shares shall be offered for sale at the Share Price by the directors to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than the Transferor (and any other Transferor in the case of a joint Transfer Notice)) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and despatched along

with a copy of the Transfer Notice pursuant to article **42.5** and shall specify (a) the total number of Transfer Shares; (b) the Share Price; (c) the number of Transfer Shares offered to the member (its "**Pro Rata Entitlement**"); (d) whether or not the Transfer Notice contained a Total Transfer Condition; and (e) a period (being not less than ten Business Days and not more than 15 Business Days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for its Pro Rata Entitlement and for any shares in excess of such entitlement which it wishes to purchase.

42.7 Subject to article **42.10**, upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

- (a) to each member who has agreed to purchase shares, its Pro Rata Entitlement or such lesser number of Transfer Shares for which it may have applied;
- (b) if any member has applied for less than its Pro Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by it) and any remaining excess shall be apportioned by applying this paragraph (b) without taking account of any member whose application has already been satisfied in full.

42.8 If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limit for acceptance or if there are no other holders of shares of that class, the directors shall (in the former case) within five Business Days after the expiration of such time limit (and in the latter case at the same time as they despatch the copy Transfer Notice pursuant to article **42.5**), offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of the other class or classes and the provisions of articles **42.6** and **42.7** shall apply mutatis mutandis to such offer (save that the Transfer Shares shall be offered to such members in proportion to the aggregate nominal value of the shares then held by each of them respectively).

42.9 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the shares forming part of each and every fractional entitlement shall be aggregated and offered to or allocated amongst the members, or some of them, as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.

42.10 If the Transfer Notice contained a Total Transfer Condition, no offer of Transfer Shares made by the directors pursuant to articles **42.6** to **42.9** shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the members (or any of them). If the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to the Transferor(s) and the said offer(s) shall lapse.

42.11 Upon the expiry of the offer period referred to in article 42.6 or, when an offer has been made pursuant to article 42.8, upon the expiry of the applicable offer period for that offer, the directors shall forthwith give notice in writing to the Transferor specifying the number of Shares agreed to be purchased pursuant to such offer(s). Subject to article 42.10, if, by the foregoing procedure, the directors shall receive acceptances in respect of all or any of the Transfer Shares, the directors shall forthwith give notice in writing to the member or members who have agreed to purchase the same (the “purchaser” or “purchasers”) and the Transferor shall thereupon become bound upon payment of the Share Price to the Transferor (whose receipt shall be a good discharge to the purchaser(s), the Company and the directors therefor, none of whom shall be bound to see the application thereof) to transfer to each purchaser those Transfer Shares accepted by it. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by it and the place (which must be in England and Wales) and time appointed by the directors for the completion of the purchase (being not less than 5 Business Days nor more than 20 Business Days after the date of the said notice). Subject to the giving of such notice, the purchase(s) shall be completed at the time and place appointed by the directors.

42.12 If the Transferor makes default in transferring any of the Transfer Shares pursuant to article 42.11, the Company may receive and give a good discharge in respect of the Share Price on behalf of the Transferor and the directors shall authorise some person to transfer the Transfer Shares to the purchaser(s) concerned. The directors shall, subject to the share transfer(s) being duly stamped, enter the name of the purchaser(s) in the register of members as the holder(s) of the Transfer Shares and after any such entry has been made the validity of the transaction shall not be questioned by any person.

42.13 If the Transfer Notice in question did not contain a Total Transfer Condition and the directors receive acceptances in respect of none or some only of the Transfer Shares, the Transferor may at any time within the period of [40] Business Days following the date of expiry of the time limit for acceptance or the date of sale of the Transfer Shares following such acceptance (as the case may be), whichever is the later transfer all (but not some only) of the Transfer Shares or the remaining Transfer Shares (as the case may be) to [any person/the proposed transferee specified in the Transfer Notice] at a price not less than the Share Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the Transferor) provided that such transfer is in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the transferee or any other agreement or arrangement, and not as part of a series of transactions, in either case which operates to reduce the true sale price below the Share Price.

### **43. Fresh Issue of Preference Shares**

43.1 No Preference Shares may be allotted by the Company unless they are first offered to all holders of the issued Preference Shares in proportion as nearly as possible to the numbers of Preference Shares held by them. But the Company does not have to make an offer under this article 42.1 if the holders of 75% of the Preference Shares agree in writing.

43.2 An offer under article **42.1** shall be open for acceptance for at least 21 days after notice of it is given to the holders of the Preference Shares. Any Preference Shares which are not accepted in that period shall be at the disposal of the directors who may (within the period of 3 months from the expiry of the last offer made under article **42.1**) allot, grant options over or otherwise dispose of those shares to any person and on any terms, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the holders of the Preference Shares.

43.3 Section 561 of the Act is excluded, and accordingly shall not apply to the allotment of Preference Shares by the Company.

#### **44. Transmission of shares**

44.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

44.2 Subject to articles **41** to **41**, a transmittee who produces such evidence of entitlement to shares as the directors may properly require:

(a) may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person; and

(b) subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

44.3 But a transmittee does 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 holder of those shares.

#### **45. Exercise of transmittees' rights**

45.1 A transmittee who wishes to become the holder of shares to which they have become entitled must notify the Company in writing of that wish.

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

45.3 Any transfer made or executed under this article **45** is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### **46. Transmittees bound by prior notices**

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

## **DIVIDENDS AND OTHER DISTRIBUTIONS INCLUDING THE REDEMPTION OF PREFERENCE SHARES**

### **47. Procedure for declaring dividends on A and B Shares**

- 47.1 The Company may by ordinary resolution declare dividends on the A Shares and the B Shares at the same rate or at different rates depending on the class of share, and the directors may decide to pay interim dividends.
- 47.2 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.
- 47.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 47.4 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 on an apportioned basis by reference to the amounts paid up on the shares on which the dividend is to be paid on the date of the resolution or decision to declare or pay it.
- 47.5 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.
- 47.6 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.
- 47.7 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.

### **48. Procedure for declaring dividends on Preference Shares**

- 48.1 The profits of the Company available for distribution shall, at the discretion of the Board, be used to pay a dividend on each preference Share at the rate of 1% of the subscription price for each Preference Share
- 48.2 Every Preference dividend shall be distributed to the appropriate shareholders pro rata according to the number of Preference Shares held by them respectively and shall accrue on a daily basis.
- 48.3 All dividends on the Preference Shares are expressed net and shall be paid in cash.
- 48.4 The dividend on the Preference Share is non-cumulative.

### **49. Payment of dividends and other distributions**

- 49.1 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 (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;
- (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.

49.2 In these articles, “**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;
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

## **50. No interest on distributions**

50.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by the terms on which the share was issued.

## **51. Unclaimed distributions**

51.1 All dividends or other sums which are:

- (a) payable in respect of shares; and
- (b) 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.

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

51.3 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,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

## **52. Non-cash distributions**

- 52.1 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).
- 52.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including for:
- (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.

## **53. Waiver of distributions**

- 53.1 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, 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.

## **54. Redemption of Preference Shares**

- 54.1 Subject to the Act, the Preference Shares shall be redeemed in such numbers and on such dates as the Company by ordinary resolution determines from time to time. The A Shares and B Shares are not redeemable.
- 54.2 The Company shall pay £1.00 for each Preference Share redeemed.
- 54.3 On the dates fixed for any redemption the Company shall pay each registered holder of Preference Shares the amount payable for that redemption. On receipt of that amount, each holder shall surrender to the Company their certificate for the shares to be redeemed so it can be cancelled. If any surrendered certificate includes shares which are not redeemable at that time, the Company shall issue to the holder a fresh certificate for the balance of the shares which are not redeemed.
- 54.4 If there is more than one holder of Preference Shares, any redemption shall be made among these holders in proportion (as nearly as may be) to their respective holdings.



## CAPITALISATION OF PROFITS

### **55. Authority to capitalise and appropriation of capitalised sums**

55.1 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.

55.2 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.

55.3 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. The persons entitled may direct that any shares to which they are entitled under this article **55.3** be allotted to any person to whom they would be permitted to transfer such shares pursuant to article **40.1** or **41.2**. Article **36.3** shall apply to any such allotment.

55.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

- (a) 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; or
- (b) in or towards paying up any amount for the time being unpaid on shares held by the persons entitled.

55.5 Subject to these articles, the directors may:

- (a) apply capitalised sums in accordance with articles **55.3** and **55.4** 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 **55** (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 **55**.

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **56. Attendance and speaking at general meetings**

- 56.1 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.
- 56.2 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.
- 56.3 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.
- 56.4 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.
- 56.5 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.

##### **57. Quorum for general meetings**

- 57.1 No business other than the appointment of the chairman of the general meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 57.2 The quorum at a general meeting or adjourned general meeting shall be two persons entitled to vote and present in person or by proxy, of whom one shall be a holder of A Shares or duly authorised representative of such a holder and one shall be a holder of B Shares or duly authorised representative of such a holder. However, if a general meeting is adjourned because there is no holder of B Shares or A Shares or duly authorised representative of such a holder present in order to form a quorum, and the adjourned meeting lacks a quorum for the same reason, the meeting may be adjourned again and at such further adjourned meeting the quorum shall be one person entitled to vote and present in person or by proxy, which person shall be either a holder of A Shares or a holder of B Shares or duly authorised representative of such a holder.

- 57.3 The references in this article **57** to a proxy or representative are to a proxy or representative appointed in relation to the meeting in question in accordance with section 324 or 323 respectively of the Companies Act 2006.

## **58. Chairing general meetings**

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

- 58.2 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:

- (a) the directors present; or
- (b) (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 general meeting must be the first business of the meeting.

- 58.3 The person chairing a meeting in accordance with this article **58** is referred to as the “**chairman of the general meeting**”.

## **59. Attendance and speaking by directors and non-shareholders**

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

- 59.2 The chairman of the general meeting may permit other persons who are not:

- (a) shareholders of the Company; or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings

to attend and speak at a general meeting.

## **60. Adjournment**

- 60.1 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 general meeting must adjourn it.

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

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the general 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.

- 60.3 The chairman of the general meeting must adjourn a general meeting if directed to do so by the meeting.
- 60.4 When adjourning a general meeting, the chairman of the general meeting must:
- (a) 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
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 60.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
  - (b) containing the same information which such notice is required to contain.
- 60.6 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**

### **61. Voting: general**

- 61.1 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 these articles.
- 61.2 Shares in the Company shall carry votes as follows:

A Share: one vote per share

B Share: one vote per share

Preference Share: no votes.

### **62. Errors and disputes**

- 62.1 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.
- 62.2 Any such objection must be referred to the chairman of the general meeting, whose decision is final.

### **63. Poll votes**

- 63.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) 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.

63.2 A poll may be demanded by:

- (a) the chairman of the general meeting;
- (b) any director;
- (c) two or more persons having the right to vote on the resolution;
- (d) 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; or
- (e) a person or persons representing voting rights on shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares which carry voting rights.

63.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the general meeting consents to the withdrawal.

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

## **64. Content of proxy notices**

64.1 Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which:

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder 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.

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

64.3 Proxy notices may specify how the proxy is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

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

- (a) allowing the person appointed 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.

## **65. Delivery of proxy notices**

- 65.1 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.
- 65.2 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.
- 65.3 A proxy notice or notice revoking a proxy appointment only takes effect if it is delivered before the taking of any vote at the meeting or adjourned meeting to which it relates.
- 65.4 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 behalf of the person appointing the proxy.

## **66. Amendments to resolutions**

- 66.1 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 chairman of the general meeting may determine); or
  - (b) the chairman of the general meeting proposes the amendment at the general meeting at which the resolution is to be proposed

and, in either case, the proposed amendment does not, in the reasonable opinion of the chairman of the general meeting, materially alter the scope of the resolution.

- 66.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - (a) the chairman of the general 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.
- 66.3 If the chairman of the general meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **67. Means of communication to be used**

67.1 Subject to these articles, anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company and the company communications provisions in the Companies Act 2006 shall apply to anything sent or supplied under these articles.

67.2 A communication sent or supplied by the Company shall be deemed to have been received by the intended recipient:

- (a) if it is sent by post, 24 hours after it was posted;
- (b) if it is hand delivered, at the time of such delivery;
- (c) if it is sent by electronic means, immediately upon its being sent; and
- (d) if it is made available on a website, when the notification of the presence of the communication on the website was received by the intended recipient or, if later, on the date on which the communication appeared on the website.

67.3 In the case of a communication sent or supplied by the Company, the Company may make the documents or information available on a website in accordance with the Companies Act 2006.

67.4 Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

67.5 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 that specified in article 67.2.

67.6 Anything to be agreed or specified in relation to documents or information to be sent or supplied to the joint holders of a share may be agreed or specified by any of the joint holders on behalf of all of them.

#### **68. Company seal**

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

68.2 The directors may decide by what means and in what form any common seal is to be used.

68.3 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.

68.4 For the purposes of this article 68, 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.

#### **69. No right to inspect accounts and other records**

69.1 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.

#### **70. Provision for employees on cessation of business**

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

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **71. Indemnity**

71.1 Subject to article 71.2, a relevant director of the Company or an associated company shall be indemnified out of the Company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
- (b) any liability incurred by that director in connection with 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 Companies Act 2006); and
- (c) any other liability incurred by that director as an officer of the Company or an associated company.

71.2 This article 71 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.

71.3 In this article 71:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and



- (b) a “**relevant director**” means any director or former director of the Company or an associated company.

## **72. Insurance**

72.1 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.

72.2 In this article **72**:

- (a) a “**relevant officer**” means any director or former director, secretary or former secretary, manager or former manager of the Company or an associated company;
- (b) a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.