

Company number: SC141496

Cafédirect plc

THURSDAY



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COMPANIES HOUSE

## Companies Act 2006

### Shareholders' Resolutions

The following were passed as resolutions of the Company at a General Meeting held on 25 January 2011 at The Resource Centre, 356 Holloway Road, London, N7 6PA:

- 1 (i) **Special Resolution:** that the draft regulations presented to the Annual General Meeting of the Company on 11 June 2010 be adopted as the articles of association and entire constitution of the Company to the exclusion of and in substitution for the existing articles of association of the Company (which are deemed by section 28 of the Companies Act 2006 to include the provisions of the Company's existing memorandum of association, including the statement of the Company's objects) on and with effect from completion of the purchase by the Company of the ordinary shares referred to in the contract produced to the meeting and referred to in resolution 1(iv) below.
- 1 (ii) **Ordinary Resolution:** That, subject to resolution 1(iv) being passed, the directors be generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal value of £3,750,000 (including the current share capital) for a period of five years from the date of this resolution:-

subject to the first allotment after the date of this resolution:-

- (i) has a minimum aggregate price (including nominal value and any share premium) of £600,000;
- (ii) comprises an allotment of 833,334 ordinary shares at £0.72 each to Oikocredit Ecumenical Co-operative Development Society U.A. and an allotment of up to 1,000,000 ordinary shares at £0.80 each to existing and other new shareholders;

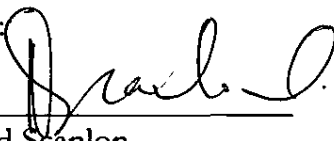
subject to a second allotment of 833,333 ordinary shares at £0.72 each to Oikocredit Ecumenical Co-operative Development Society U.A. by 28 February 2012.

If the purchase by the Company of the shares in the capital of the Company referred to in resolution 1(iv) below has not completed by 4pm on Monday, 28th February 2011, this authority shall expire.

This authority is in substitution for and replaces all previous authorities to allot shares to the extent unused.

- (iii) **Special Resolution:** That, subject to resolution 1(iv) being passed, the directors be empowered pursuant to Section 570 of the Companies Act 2006 to allot shares in the Company pursuant to the authority described in resolution 1(ii) above as if Section 561 of the Companies Act 2006 did not apply to any such allotment. This power shall expire on the earlier of 28 February 2012 or the completion of the second tranche of the investment by Oikocredit in the shares of the Company.
  - (iv) **Special Resolution:** That, subject to resolutions 1(i), (ii) and (iii) being passed, the terms of an agreement between (1) the Company (2) Twin Trading Limited (3) Traidcraft plc and (4) Equal Exchange Trading Limited for the purchase by the Company of 2,715,500 ordinary shares in the capital of the Company at £0.655 each partly out of a new issue of ordinary shares and partly out of distributable profits and partly out of the share premium account as set out in the contract produced to the meeting be approved.
2. **Special Resolution:** That, subject to all of resolution 1 being passed the terms of a proposed agreement to be made between the Company and some of the members of the Company for the purchase by the Company of up to 203,250 ordinary shares in the capital of the Company at £0.655 each partly out of a new issue of ordinary shares and partly out of distributable profits and partly out of the share premium account as set out in the draft contract produced to the meeting be approved and the Company be authorised to enter into the contract.

Signed:



Richard Scanlon  
**DIRECTOR**

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**COMPANY NUMBER: 141496**

**THE COMPANIES ACT 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**

<p><b>ARTICLES OF ASSOCIATION OF CAFÉDIRECT PLC</b></p>
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**THE COMPANIES ACT 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION OF**  
**CAFÉDIRECT PLC**

(As adopted by Special Resolution passed on 25 January 2011)

**NAME**

1. The Company's name is CAFÉDIRECT PLC.

**PUBLIC LIMITED COMPANY**

2. The Company is to be a public limited company.

**OBJECTS AND POWERS**

3.
  - 3.1 The objects for which the Company is established are:
    - 3.1.1 To engage in and promote fair trade with small farmers' organisations, manufacturers and suppliers of all kinds of goods and services in developing countries;
    - 3.1.2 To promote justice in international trade;
    - 3.1.3 To carry on business as a general commercial company; and
    - 3.1.4 To carry on any activity and to effect any transaction whatsoever whether or not that activity or transaction is incidental or conducive to the carrying on of any trade or business by the Company;
  - 3.2 Provided that in carrying out the Objects the Company shall at all times apply the key principles of the Gold Standard which are:-
    - 3.2.1 the Company primarily supports and is influenced by smallholder growers in the developing world. Growers have the right to nominate and appoint one quarter of the Company's Board of Directors (being up to two Directors);

- 3.2.2 the Company's financial policy is structured to provide both social and financial returns to stakeholders, including members. To deliver the social return, each year at least one third of the Company's Audited Profit is specifically allocated to strengthening smallholder grower organisations in developing countries; and
  - 3.2.3 the Company measures the social, environmental and financial impacts of its business. It sets targets, strives for sustained improvement and annually reports progress to its members in a transparent manner.
- 3.3 The Company applies the principle set out in regulation 3.2.1 in regulation 51.2 of these regulations.
- 3.4 The Directors may amend the wording of the Gold Standard, but not the principles set out in Article 3.2, by:-
  - 3.4.1 Consulting the Guardians and obtaining its prior written consent to the proposed amendments; or
  - 3.4.2 If the Guardians do not give unanimous prior written consent (within 90 days of a request by the Directors to do so) by obtaining member approval to a special resolution proposing such amendments at a general meeting of the Company.
- 4. Without prejudice to the generality of regulation 3 or to the powers of the Company derived from the Companies Act 2006 the Company has power to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- 5. None of the objects set out in regulation 3 shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such provisions shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object set out in such regulation, or by reference to or inference from the name of the Company except that all powers shall be exercised in pursuance of the objects subject to the provisos to the objects set out in regulation 3.

#### **LIABILITY**

- 6. The liability of the Members is limited.

## MODEL ARTICLES

7.

- 7.1 The Model Articles shall apply to the Company except insofar as they are amended by these regulations.
- 7.2 Articles 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 25-40 (inclusive), 85 and 86 of the Model Articles shall not apply to the company.

8.

- 8.1 In these regulations (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.

Address	includes for the purpose of any communication by Electronic Form any number or address used for the purpose of such communications
Auditors	the auditors of the Company
Board or Directors	the directors of the Company or a quorum of the directors present at a board meeting
Cafedirect Producers Limited	company numbered 4804115 registered in England and Wales
the Companies Act 2006	the Companies Act 2006
the Company	this company which shall where the context so permits include any subsidiary thereof
the Company's Audited Profit	audited profit before the deduction of the cost of the Producer Programme and before tax which shall be nil if there is an audited loss
Electronic Form	has the meaning given by section 1168 of the Act
employees	a person in the employment (whether full or part-time) of the Company or any subsidiary of the Company including any officer or director of the Company or any such Subsidiary holding a salaried employment or office under the Company or any such subsidiary
Employees' Share Scheme	has the meaning given under section 1166 of the Companies Act 2006
Gold Standard	the Gold Standard established by the Company for the conduct of its business agreed by the Board of the Company on 8.1.04 as amended from time to time in accordance with these Articles, the key principles of which are set out in Article 3.2 as provisos to the objects of the Company
the Guardians Share	the Guardians Share of £0.25 of the Company
the Guardians and the	Guardian Share Company Limited company numbered

Guardians Share Company	4863720 registered in England and Wales
in writing	written or produced by any reasonably durable substitute for <del>writing or partly one and partly another</del> (including without limitation, Electronic Form) and in any case where a document may be transmitted by Electronic Form there shall be no requirement that the document so transmitted shall bear an original signature provided that the document so transmitted originates from an agreed or previously notified address
Model Articles	the model articles for public companies limited by shares contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these regulations
month	calendar month
Office	the registered office of the Company from time to time
Ordinary Shares	the Ordinary Shares of £0.25 each of the Company
paid	paid or credited as paid
Producer Programme	a tailor made programme designed in conjunction with smallholder grower organisations specifically for the purpose of strengthening smallholder grower organisations in developing countries
recognised investment exchange	recognised investment exchange regulated pursuant to the Financial Services and Markets Act 2000
Secretary	the person or persons appointed as secretary or joint secretary of the Company
these regulations	these regulations of Association as from time to time altered
subsidiary	has the meaning set out in Section 1159 of the Companies Act 2006
the United Kingdom	Great Britain and Northern Ireland
year	calendar year

8.2 In these regulations (if not inconsistent with the subject or context):

8.2.1 Words in the singular shall include the plural and vice versa; words denoting persons shall include bodies corporate; words denoting the masculine shall include the feminine gender and bodies corporate;

8.2.2 Reference to any statute or statutory provision includes a reference to any amendment or re-enactment.

8.3 Save as otherwise expressly provided in these regulations, any word or expression defined in the Companies Act 2006 shall (if not inconsistent with the subject or context) bear the same meaning in these regulations, except that where a word or expression is defined differently in different provisions of the Companies Act 2006 any such definition which applies for the Companies Act

2006 generally shall prevail over one which applies only to specific provisions.

### **SHARE CAPITAL**

9. The authorised share capital of the Company at the date of the adoption of these regulations is £3,750,000 divided into 14,999,999 Ordinary Shares of £0.25 each and 1 Guardians Share of £0.25.
10. The rights, as regards participation in the profits and assets of the Company attaching to the above-mentioned shares shall be as follows:
  - 10.1 Subject to any special rights which may be attached to any other class of shares and to the provisions of the Companies Act 2006, the profits of the Company available for distribution and resolved to be distributed shall be distributed by way of dividend among the holders of the Ordinary Shares rateably according to the number and amount paid up of Ordinary Shares respectively;
  - 10.2 On a return of assets on a winding-up the assets of the Company available for distribution among the members shall be distributed, subject to any special rights which may be attached to any other class of shares, in paying to the holders of the Ordinary Shares and the Guardians Share rateably according to the number and amount paid up of Ordinary Shares and the Guardians Share held by them respectively.

### **INCREASE, ALTERATION AND PURCHASE OF SHARE CAPITAL**

11. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares created on any such increase of capital shall be subject to the provisions of the Companies Act 2006 and of these regulations with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
12. The Company may by Special Resolution:
  - 12.1 Consolidate and divide all or any of its capital into shares of larger amounts than its existing shares;
  - 12.2 Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;
  - 12.3 Sub-divide its shares, or any of them, into shares of smaller amount (subject nevertheless to the provisions of the Companies Act 2006), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred or special



rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

13. Subject to the provisions of the Companies Act 2006 the Company may purchase any of its own shares (including any redeemable shares) except that the prior written consent of the Guardians is required for the purchase of the Guardians Share.
14. The Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any authorisation and consent required by law except that the prior written consent of the Guardians is required for a reduction in capital of the Guardians Share.

### **VARIATION OF SHARE CAPITAL**

15.

- 15.1 Whenever the capital of the Company is divided into different classes of shares and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class may be modified or abrogated and unless otherwise provided by the terms of issue of the shares of that class, either with the consent in writing of the holders of three-quarters of the issued shares of the class, or with the sanction of any special resolution passed at a separate general meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class. The rights attached to the Guardians Share shall not be capable of being varied or abrogated without the prior written consent of the Guardians. To every separate general meeting all the provisions of these regulations relating to, or to the proceedings at, general meetings shall, mutatis mutandis, apply, except that:

- 15.1.1 the necessary quorum shall be two persons (except for the class of Guardian Shares when it shall be one person) at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum);

- 15.1.2 any holder of shares in the class present in person or by proxy may demand a poll; and

- 15.1.3 the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them.

- 15.2 The special rights conferred upon the holders of any shares or class of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the conditions of issue, be deemed to be modified by the creation or issue of further shares ranking *pari passu* with them. The special rights attached to the Guardians Share shall be deemed to be varied by the creation or issue of any further Guardians Share.

## **ISSUE AND ALLOTMENT OF SHARES**

16. In accordance with section 551 of the Companies Act 2006 and subject to this regulation, the Directors are generally and unconditionally authorised during the period of five years from the date of the adoption of these regulations by the Company (and the period or periods of any renewal or renewals of that authority pursuant to such section) generally to exercise the power of the Company to allot shares and to make offers and agreements which would or might require shares (whether before or after expiry of such authority) to be allotted, but so that this authority shall be limited to allotment of shares to an aggregate maximum amount equal to the authorised share capital of the Company upon adoption of these regulations and no share shall be issued at a discount. The authority given under this regulation may at any time be renewed, revoked or varied by Ordinary Resolution of the Company.
17. Subject as otherwise provided by these regulations and without prejudice to the rights attached to any shares or class of shares from time to time issued, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights, or be issued subject to or have attached such restrictions, whether as regards dividend, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Companies Act 2006 the Company may issue any shares which are, or at the option of the Company or the holders are liable, to be redeemed. No share with rights the same as or greater than the Guardians Share may be issued by the Company.
18. Subject to the Companies Act 2006 and of any resolution of the Company in general meeting all unissued shares shall be at the disposal of the Directors.
19. The Company may exercise the powers of paying commissions conferred by the Companies Act 2006. The Company may also on any issue of shares pay such brokerage as may be lawful.
20. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.
21. Except as required by law, or pursuant to any of these regulations, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any shares, or any interest in any fractional part of a share, or (except only as by these regulations or by law) any other right in respect of any share, except an absolute right to the entirety in the registered holder.

## THE GUARDIANS SHARE

22. Without prejudice to regulation 15 on any poll on any resolution of the Company in General Meeting, being a resolution the passing of which by the requisite majority of votes would be, or be deemed to be, a variation or abrogation of the rights attached to the Guardians Share, the Guardians, if it opposes such resolution, shall have the right to cast such number of votes as shall be necessary to ensure the defeat of such resolution, and such right may be exercisable either by a representative appointed by the Guardians in accordance with Section 323 of the Companies Act 2006, or by a proxy for the Guardians. No written resolution of the members of the Company may be passed which would be, or be deemed to be, a variation or abrogation of the rights attached to the Guardians Share, without the Guardians consenting to it in accordance with the Companies Act 2006.
23. For all the purposes of these regulations the passing by the requisite majority of any of the following kinds of resolution by the Company in General Meeting shall be deemed to be a variation or abrogation of the rights attached to the Guardians Share:
- 23.1 any resolution to amend, remove or replace any of regulation 3 and 51;
  - 23.2 any resolution to amend, remove or replace references to the Guardians, Guardians Shares or Guardians Share Company in regulation 8, regulations 13, 14, 15, 17, 22, 23, 24, 25, 39 and 40; and
  - 23.3 any resolution to amend any such resolution as is described in any of the preceding sub-paragraphs of this regulation 23.
24. For all of the purposes of these regulations except regulation 3.4 the doing of any act or thing which, in accordance with any provision of these regulations requires the prior written consent of the Guardians shall be deemed to be a variation or abrogation of the rights attached to the Guardians Share.
25. The Guardians shall be entitled:
- 25.1 to receive notice of every General Meeting of the Company, and of every separate General Meeting of the holders of the shares of any class in the Company's issued share capital; and
  - 25.2 to attend, either by a representative appointed in accordance with Section 323 of the Companies Act 2006, or by any proxy, at any such General Meeting or separate General Meeting; and
  - 25.3 through any such representative or proxy, to speak at any such General Meeting or separate General Meeting;
- but the Guardians shall not, save as provided in regulations 22, 23 and 24, be entitled to vote at any General Meetings of the Company, and shall in no circumstances be entitled to vote at any such separate General Meeting other than a separate General Meeting of the Guardians.

## **LIEN**

26. The Company shall have the first and paramount lien on any share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it.
27. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

## **TRANSFER OF SHARES**

28. All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.
29.
  - 29.1 The Directors may decline to register any transfer of any share on which the Company has a lien; and
  - 29.2 The Directors may also refuse to register a transfer of a share unless it is lodged at the office or such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.
30. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register of Members shall not be closed for more than thirty days in any year.
31. The Directors may in their absolute discretion refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly.
32. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of and the reasons for the refusal.
33. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after

the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof and it shall be conclusively presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument duly and properly registered and every share certificate so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:

- 33.1 the above provisions of this regulation shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 33.2 nothing in this regulation shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this regulation; and
- 33.3 references herein to the destruction of any document include references to disposal thereof in any manner.

#### **UNTRACED SHAREHOLDERS**

34.

- 34.1 The Company shall be entitled to sell shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:
  - 34.1.1 during the period of six years prior to the date of the publication of the advertisement referred to in regulation 34.1.2 below (or, if published on different dates, the later date) all warrants and cheques in respect of the shares in question sent in the manner authorised by these regulations have remained uncashed; and
  - 34.1.2 the Company shall on expiry of the six years have inserted advertisements, both in a leading London newspaper and in a newspaper circulating in the area of the address at which service of notices upon such member or other person may be effected in accordance with these regulations, giving notice of its intention to sell the shares; and
  - 34.1.3 during the period of six years and the period of three months following the publication of the advertisement the Company shall have received indication neither of the whereabouts nor of the existence of such member or person.
- 34.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares and such instrument shall be as effective as if it had been executed by the registered

holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in such actions. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

### **GENERAL MEETINGS**

35. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
36. The Directors may at any time, and shall on any requisition made in accordance with Section 303 of the Companies Act 2006, proceed to convene an Extraordinary General Meeting.

### **NOTICE OF GENERAL MEETING**

37.
  - 37.1 An Annual General Meeting shall be called by twenty one days' notice in writing at the least, and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given to all members other than such as are not under these regulations entitled to receive such notices from the Company.
  - 37.2 The accidental omission to give notice to or the non-receipt of notice by any person shall not invalidate the proceedings at any General Meeting.
  - 37.3 Notice of all General Meetings of the Company shall be given to all shareholders who shall have the right to speak at such meetings and are entitled to appoint a proxy or proxies to attend who shall also have the right to speak and vote on behalf of the member at a meeting. A proxy need not be a member of the Company.
38. Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote has the right to speak at such a meeting and is entitled to appoint a proxy or proxies to attend (who shall also have the right to speak) and, on a poll, vote instead of her/him and a proxy need not be a member of the Company.

## PROCEEDINGS AT GENERAL MEETINGS

39. The Chairperson of the Company shall preside at a General Meeting of the Company. No business (other than the appointment of a Chairperson) shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Three holders of Ordinary Shares present in person or by proxy and entitled to vote shall constitute a quorum for all purposes at any General Meeting provided that at any General Meeting the business of which includes the consideration of any such resolution as is mentioned in regulation 23 a quorum shall not be present for any purpose unless the Guardians are present either by any proxy or a representative appointed in accordance with Section 323 of the Companies Act 2006.
40. If within five minutes from the time appointed for a General Meeting (or such longer interval as the Chairperson of the meeting may think fit to allow) a quorum is not present, the General Meeting, if convened pursuant to any of the provisions of Section 303 of the Companies Act 2006, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the General Meeting or (if not so specified) as the Chairperson of the General Meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At any such adjourned meeting all of the provisions of regulation 39, if applicable, shall apply as though every reference in that regulation to a General Meeting included a reference to any such adjourned meeting.
41. Unless expressly provided in these regulations, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.
42. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairperson of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution no amendment (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
43. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
  - 43.1 the Directors; or
  - 43.2 the Chairperson of the meeting; or
  - 43.3 at least three members present in person or by proxy and entitled to vote; or
  - 43.4 by a member or members representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting.
44. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

45. A resolution in writing passed in accordance with the Companies Act 2006 shall be as valid as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

### VOTING

46. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.
47. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
48. No members shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys required from time to time to be paid by him in respect of that share have been paid.
49. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)-

" PLC

I/We, , of

, being a

a member/members of the above-named company, hereby appoint of

, or failing him,

of , as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on 20 , and at any adjournment thereof.

Signed on 20 ."

50. The instrument appointing a proxy and any other authority under which it is executed or a copy of such authority certified by a solicitor or in some other way approved by the Directors may-

50.1 be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy



sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- 50.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- 50.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any Director;

and an instrument of proxy, which is not deposited or delivered in a manner so permitted shall be invalid.

## **DIRECTORS**

51. Unless otherwise determined by an Ordinary Resolution of the Company in General Meeting the number of Directors shall not be less than four nor more than nine:-

- 51.1 one of whom shall be a director appointed and removed by the Guardians following consultation with the Company; and
- 51.2 up to two of whom shall be nominated following consultation with the Company by Cafédirect Producers Limited on behalf of smallholder growers in developing countries.
- 51.3 The provisions of regulation 54 to regulation 61 shall not apply to the director appointed by the Guardians but the Guardians will review such appointment on every third anniversary of such appointment.
- 51.4 If the directors do not co-opt, pursuant to Article 60, a person nominated as a director by Cafédirect Producers Limited, Cafédirect Producers Limited will have the power to appoint a director to fulfil the requirements of regulation 3.2.1.

52.

52.1 Save as set out in this regulation 52 no Director shall vote upon any matter in which she/he has a material interest otherwise than by virtue of her/his interest in shares, debentures or other securities in the Company nor (without the prior leave of the remaining Directors) participate in the discussion of such matter and shall at the discretion of the Chairperson be required to withdraw from the meeting before a vote is taken but such absence shall be disregarded so far as the presence of a quorum at the meeting is concerned.

- 52.2 A Director who is in any way either directly or indirectly interested (whether through persons connected with them as defined in Section 252 of the Companies Act 2006 or otherwise) in any contract, transaction or arrangement (whether or not constituting a contract and whether actual or proposed) with

the Company or in which the Company is otherwise interested shall be required to declare the nature of their interest at a meeting of the Directors in accordance with Section 182 of the Companies Act 2006.

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- 52.3 A Director shall (except where he has some material interest other than is indicated below) be entitled to vote on any resolution concerning any of the following matters, namely:
- 52.3.1 the giving of any security or indemnity to him in respect of money lent or obligations incurred by her/him at the request of or for the benefit of the Company or any of its subsidiaries;
  - 52.3.2 the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which she/he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - 52.3.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer she/he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - 52.3.4 any proposal concerning any other company in which she/he is interested, directly or indirectly and whether as an officer or shareholder or member or otherwise howsoever, provided that she/he (together with persons connected with her/him within the meaning of Section 252 of the Companies Act 2006) is not the holder of or beneficially interested in one per cent or more of the issued shares of any class of such company (or of any third company through which her/his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this regulation to be a material interest in all circumstances);
  - 52.3.5 any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme or all Employees' Share Scheme under which she/he may benefit; and
  - 52.3.6 any proposal concerning salaries and other terms and conditions of employees of the Company other than the Executive Directors.
- 52.4 If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by her/his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairperson of the meeting and her/his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned has not been fairly disclosed.

52.5 The Directors may and the Company may by Ordinary Resolution suspend or relax the provisions of this regulation 52 to any extent or ratify any transaction not duly authorised by reason of a contravention of this regulation 52.

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53. The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

54. At every annual general meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest one-third shall retire from office; but, if there is only one Director who is subject to retirement by rotation, he shall retire.
55. Subject to the provisions of the Companies Act 2006, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
56. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
57. No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless:
- 57.1 he is recommended by the Nominations and Remuneration Committee of the Directors and approved by the Directors; or
- 57.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included on the Company's Register of Directors together with notice executed by that person of his willingness to be appointed or reappointed.
58. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors.

59. The Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.
60. Subject to the consent of the Nominations and Remuneration Committee the Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the regulations as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at its conclusion.
61. A Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

### **DISQUALIFICATION OF DIRECTORS**

62. The office of a Director shall be vacated if:
- 62.1 he ceases to be a Director by virtue of any provisions of the Companies Act 2006 or he becomes prohibited by law from being a Director; or
  - 62.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 62.3 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become mentally incapable of acting as a director and may remain so for more than 3 months; or
  - 62.4 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
  - 62.5 he resigns his office by notice to the Company and such resignation has taken effect;
  - 62.6 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

### **MEETINGS AND PROCEDURES OF DIRECTORS**

63. Directors of the Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the Chairperson shall have a casting vote.

64. A Director may and the Secretary shall on the requisition of a Director summon a meeting of the Board at any reasonable time.
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65. A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants
66. The quorum necessary for the transaction of business of the Board shall be three Directors.
67. If the Board shall at any time be reduced in number to less than the minimum prescribed in these regulations, it may act as the Board for the purpose of filling vacancies in their body or summoning a General Meeting of the Company but for no other purpose.
68. The Nominations and Remuneration Committee shall recommend a person to be appointed as Chairperson of the Company. The Board can only appoint a Chairperson on such recommendation and may remove such Chairperson.
69. The Board shall cause proper minutes to be made of the proceedings of all meetings of the Company, of the Board and of any sub-committee and all business transacted at such meetings.
70. A resolution in writing signed by all Directors for the time being who are entitled to vote shall be as valid and effective as if it had been passed at a meeting of the Board and may consist of several documents in like form signed by one or more Directors.

### **BORROWING POWERS**

71. Without prejudice to its general powers the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue, debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

### **POWERS AND DUTIES OF DIRECTORS**

72. The business of the Company shall be managed in accordance with the Gold Standard by the Board who may do all such acts on behalf of the Company as may be exercised and done by the Company and as are not by statute or by these regulations or by an ordinary resolution of the Company required to be exercised or done by the Company in General Meeting.
73. No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid had that regulation not been made.
74. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Board shall from time to time determine.

## **REMUNERATION AND EXPENSES OF DIRECTORS**

75.

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- 75.1 The Directors shall be entitled to such remuneration as the Board shall decide on the recommendation of its Nominations and Remuneration Committee.
- 75.2 The Directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings of members or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

## **COMMITTEES**

- 76. The Board shall appoint such Committees as it shall think fit from time to time and approve their terms of reference and composition.
- 77. The Board shall appoint an Audit Committee.
- 78. The Board shall appoint a Nominations and Remuneration Committee.

## **DIRECTORS' APPOINTMENTS AND INTERESTS**

- 79. Subject to the provisions of the Companies Act 2006, the Directors may appoint one or more of their number to the office of managing Director or to any other executive office under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provisions by him of any service outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.
- 80. Subject to the provisions of the Companies Act 2006, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - 80.1 may be a party to, or otherwise interested in, any transaction, any transaction or arrangement with the Company or in which the Company is otherwise interested;
  - 80.2 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - 80.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body

corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

81. For the purposes of regulation 80:

- 81.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 81.2 any interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

### **SECRETARY**

82. The Secretary shall be appointed on such terms as the Board shall think fit and may only be removed by it.

### **DIVIDENDS**

83. Subject to the provisions of the Companies Act 2006, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.

84. A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

- 84.1 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.
- 84.2 Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 84.3 Any dividend or other moneys payable in cash or in respect of a share may be paid by BACS to the bank account provided by the member to the Company, by cheque or warrant sent through the post to the registered address of the

member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such BACS payment, cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

84.4 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share and the Company may make payment to the first named person in the register of the joint holders subject to any direction to the contrary by both joint holders.

85. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights between them in respect of such dividend of transferors and transferees of any such shares.

## NOTICES

86. Any notice to be given to or by any person pursuant to these regulations shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

87. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by Electronic Form, in accordance with the Companies Act 2006. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company. The Company may supply documents, notices and information to the members via a website, in accordance with the Companies Act 2006.

88. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.



## INDEMNITY

89. Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities incurred by him/her in or about the execution and discharge of the duties of his/her office, except to the extent that such losses or liabilities shall be attributed to any:

- 89.1 fraud or other matters in respect of which such person concerned shall be convicted of a criminal offence;
- 89.2 negligence; or
- 89.3 actions knowingly beyond the scope of a specific authority or limit thereon on the part of such person.