

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
BRUICHLADDICH DISTILLERY COMPANY LIMITED
Registered no SC209196
Incorporated in Scotland on 18 July 2000
Adopted by a written resolution passed on the 24th of September 2021

INDEX

| | | |
|-----|---|----|
| 1. | Defined terms | 4 |
| 2. | Liability of members | 5 |
| 3. | Objects | 5 |
| 4. | Directors' general authority | 6 |
| 5. | Shareholders' reserve power | 7 |
| 6. | Directors may delegate | 7 |
| 7. | Committees | 7 |
| 8. | Secretary | 7 |
| 9. | Directors to take decisions collectively | 8 |
| 10. | Directors' Written Resolutions | 8 |
| 11. | Unanimous decisions | 8 |
| 12. | Calling a directors' meeting | 9 |
| 13. | Participation in directors' meetings | 9 |
| 14. | Quorum for directors' meetings | 9 |
| 15. | Chairing of directors' meetings | 10 |
| 16. | Casting vote | 10 |
| 17. | Conflicts of interest | 10 |
| 18. | Transactions or other arrangements with the company | 11 |
| 19. | Change of name | 12 |
| 20. | Records of decisions to be kept | 12 |
| 21. | Directors' discretion to make further rules | 12 |
| 22. | Methods of appointing directors | 12 |
| 23. | Overriding Provisions | 13 |
| 24. | Termination of director's appointment | 13 |
| 25. | Directors' remuneration | 14 |
| 26. | Directors' expenses | 14 |
| 27. | Appointment and removal of alternates | 15 |
| 28. | Rights and responsibilities of alternate directors | 15 |
| 29. | Termination of alternate directorship | 16 |
| 30. | Share Capital | 16 |
| 31. | Disapplication of pre-emption rights | 16 |
| 32. | Powers to issue different classes of share | 16 |
| 33. | Company not bound by less than absolute interests | 17 |
| 34. | Share certificates | 17 |
| 35. | Replacement share certificates | 17 |
| 36. | Share Transfers | 18 |
| 37. | Procedure for declaring dividends | 18 |
| 38. | Calculation of dividends | 19 |
| 39. | Payment of dividends and other distributions | 19 |

| | | |
|-----|---|----|
| 40. | No interest on distributions..... | 20 |
| 41. | Unclaimed distributions | 20 |
| 42. | Non-cash distributions..... | 20 |
| 43. | Waiver of distributions | 21 |
| 44. | Authority to capitalise and appropriation of capitalised sums | 21 |
| 45. | Written resolutions | 22 |
| 46. | Means of communication to be used | 22 |
| 47. | Addresses and other contact details | 22 |
| 48. | Company seals..... | 23 |
| 49. | No right to inspect accounts and other records | 23 |
| 50. | Provision for employees on cessation of business | 23 |
| 51. | Indemnity..... | 24 |
| 52. | Insurance..... | 24 |

PART 1 - INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

1.1 In the articles, unless the context requires otherwise:

appointor has the meaning given in article 27.1;

articles means the company's articles of association for the time being in force;

bankruptcy includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;

chairman has the meaning given in article 5;

Companies Acts means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

director means a director of the company, and includes any person occupying the position of director, by whatever name called;

distribution recipient has the meaning given in article 9;

document includes, unless otherwise specified, any document sent or supplied in electronic form;

electronic form has the meaning given in section 1168 of the Companies Act 2006;

eligible director means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

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

hard copy form has the meaning given in section 1168 of the Companies Act 2006;

holder in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

instrument means a document in hard copy form;

ordinary resolution has the meaning given in section 282 of the Companies Act 2006;

paid means paid or credited as paid;

participate, in relation to a directors' meeting, has the meaning given in article 3;

partly paid in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the company;

shareholder means a person who is the holder of a share;

shares means shares in the company;

special resolution has the meaning given in section 283 of the Companies Act 2006;

subsidiary has the meaning given in section 1159 of the Companies Act 2006;

transmittee means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

writing means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

1.3 The following provisions of Schedule 1 of The Companies (Model Articles) Regulations 2008 (Model Articles) shall apply to the company: article 21, articles 27 to 29 (inclusive) regarding the transfer and transmission of shares and articles 37 to 47 (inclusive) regarding the organisation of general meetings. Otherwise the Model Articles shall not apply to the company except in so far as they are repeated in these articles.

2. LIABILITY OF MEMBERS

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

PART 2 – OBJECTS

3. OBJECTS

3.1 The objects of the company are to promote the success of the company;

3.1.1 for the benefit of its members as a whole; and

3.1.2 through its business and operations, to have a material positive impact on (a) society and (b) the environment,

taken as a whole.

3.2 A director must act in the way he or she considers, in good faith, most likely to promote the success of the company in achieving the objects set out in article 3.1 above, and in doing so shall have regard (amongst other matters) to:

3.2.1 the likely consequences of any decision of the directors in the long term and the impact any such decision may have on any affected stakeholders,

- 3.2.2 the interests of the company's employees,
- 3.2.3 the need to foster the company's business relationships with suppliers, customers and others,
- 3.2.4 the impact of the company's operations on the community and the environment and on affected stakeholders,
- 3.2.5 the desirability of the company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and
- 3.2.6 the need to act fairly as between members of the company,

(together, the matters referred to above shall be defined for the purposes of this article as the Stakeholder Interests and each a Stakeholder Interest).

- 3.3 For the purposes of a director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the company, a director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.
- 3.4 Nothing in this article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the company).
- 3.5 The directors of the company shall, for each financial year of the company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the company is also required to prepare a strategic report under the Companies Act 2006, the company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

PART 3 - DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. DIRECTORS' GENERAL AUTHORITY

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

5. SHAREHOLDERS' RESERVE POWER

- 5.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 5.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

6. DIRECTORS MAY DELEGATE

- 6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
 - 6.1.1 to such person or committee;
 - 6.1.2 by such means (including by power of attorney);
 - 6.1.3 to such an extent;
 - 6.1.4 in relation to such matters or territories; and
 - 6.1.5 on such terms and conditions,as they think fit.
- 6.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 6.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

7. COMMITTEES

- 7.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- 7.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

8. SECRETARY

The directors may appoint any person to be the secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them. A person ceases to be secretary as soon as notification is received by the company from the secretary that the secretary is resigning from office, and such resignation has taken effect in accordance with its terms.

DECISION-MAKING BY DIRECTORS

9. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

9.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with articles 10 or 11.

9.2 If:

9.2.1 the company only has one director; and

9.2.2 no provision of the articles requires it to have more than one director,
the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

10. DIRECTORS' WRITTEN RESOLUTIONS

10.1 Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

10.2 If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

10.3 Notice of a proposed directors' written resolution must indicate:

10.3.1 the proposed resolution; and

10.3.2 the time by which it is proposed that the directors should adopt it.

10.4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

10.5 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

11. UNANIMOUS DECISIONS

11.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

11.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

- 11.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

12. CALLING A DIRECTORS' MEETING

- 12.1 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.

- 12.2 Notice of any directors' meeting must indicate:

12.2.1 its proposed date and time;

12.2.2 where it is to take place; and

12.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

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

- 12.4 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 not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

13. PARTICIPATION IN DIRECTORS' MEETINGS

- 13.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

13.1.1 the meeting has been called and takes place in accordance with the articles; and

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

- 13.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

- 13.3 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.

14. QUORUM FOR DIRECTORS' MEETINGS

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

- 14.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but, except as provided in article 14.3 below, it must never be less than two, and unless otherwise fixed it is two.

14.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 17 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

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

14.4.1 to appoint further directors; or

14.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

15. CHAIRING OF DIRECTORS' MEETINGS

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

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

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

15.4 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.

16. CASTING VOTE

16.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

16.2 But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

17. CONFLICTS OF INTEREST

17.1 For the purposes of section 175 of the Companies Act 2006 (S.175), the directors shall have the power to authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of the duty of a director under S.175 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company.

17.2 Any authorisation of a matter under Article 17.1 may be given on such terms as the directors may determine. Such authorisation may be given subject to any conditions or limitations the directors impose, whether at the time of giving the authorisation or subsequently, but such authorisation is otherwise given to the fullest extent permitted. A director shall comply with any obligations imposed upon him or undertakings given by him pursuant to such authorisation. The directors may vary or terminate any such authorisation at any time.

17.3 Authorisation of a matter under Article 17.1 shall be given automatically for any conflict of interest caused as a result of a director being a director of any other group company or as a

result of being a shareholder of the ultimate parent company. Such conflicts of interest shall be deemed authorised under Article 17.1 without the need for a resolution to that effect.

- 17.4 A director shall not, in the absence of agreement by him to the contrary, be accountable to the company for any profit, remuneration or other benefit which he (or a person connected with him) derives from any matter authorised by the directors in accordance with Article 17.1 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such profit, remuneration or benefit.

18. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 18.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006 and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

18.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;

1.1.1 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;

18.1.2 shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;

18.1.3 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

18.1.4 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and

18.1.5 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Companies Act 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

- 18.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 18.3 Subject to article 18.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 18.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

19. CHANGE OF NAME

Subject to the articles, the name of the company may be changed by a decision taken by the directors.

20. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

21. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

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

APPOINTMENT OF DIRECTORS

22. METHODS OF APPOINTING DIRECTORS

- 22.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- 22.1.1 by ordinary resolution; or
 - 22.1.2 by a decision of the directors.
- 22.2 In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

- 22.3 For the purposes of article 22.2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

23. OVERRIDING PROVISIONS

- 23.1 If any person alone or jointly with any other person, (hereinafter called the Parent) shall be the holder of not less than 90 per cent in nominal value of the issued shares of the company as confers the right for the time being to attend and vote at general meetings of the company, the following provisions (but without prejudice to the provisions of section 168 of the Companies Act 2006) shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:

23.1.1 the Parent may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed;

23.1.2 any or all powers of the directors shall be restricted in such respects and to such extent as the Parent may by notice to the company from time to time prescribe and any such restriction may be removed or varied in such regard and to such extent as the Parent may by notice to the company from time to time prescribe.

- 23.2 Any such appointment, removal, consent or notice shall be in writing served on the company and signed by the Parent or in the case of a company on its behalf by any one of its directors or by its secretary or by some other person duly authorised for the purpose. No person dealing with the company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent has been obtained and no obligation incurred or security given or transaction effected by the company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors.

24. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

- 24.1 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;
- 24.2 a bankruptcy order is made against that person;
- 24.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

- 24.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 24.5 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;
- 24.6 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
- 24.7 that person has been served with a notice signed by all his co-directors stating that that person should be removed from office as a director.

25. DIRECTORS' REMUNERATION

- 25.1 Directors may undertake any services for the company that the directors decide.
- 25.2 Directors are entitled to such remuneration as the directors determine:
 - 25.2.1 for their services to the company as directors; and
 - 25.2.2 for any other service which they undertake for the company.
- 25.3 Subject to the articles, a director's remuneration may:
 - 25.3.1 take any form; and
 - 25.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 25.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 25.5 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.

26. DIRECTORS' EXPENSES

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- 26.1 meetings of directors or committees of directors,
- 26.2 general meetings; or
- 26.3 separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

27. APPOINTMENT AND REMOVAL OF ALTERNATES

27.1 Any director (the appointor) may appoint as an alternate any person, to:

27.1.1 exercise that director's powers; and

27.1.2 carry out that director's responsibilities,

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

27.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

27.3 The notice must:

27.3.1 identify the proposed alternate; and

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

28. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

28.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

28.2 Except as the articles specify otherwise, alternate directors:

28.2.1 are deemed for all purposes to be directors;

28.2.2 are liable for their own acts and omissions;

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

28.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

28.3 A person who is an alternate director but not a director:

28.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

28.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

28.3.3 shall not be counted as more than one director for the purposes of articles 28.3.1 and 28.3.2.

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

28.5 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

29. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

29.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

29.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

29.3 on the death of the alternate's appointor; or

29.4 when the alternate's appointor's appointment as a director terminates.

PART 4 - SHARES AND DISTRIBUTIONS

SHARES

30. SHARE CAPITAL

The share capital of the Company at the date of the adoption of these Articles is £5,109,892.00 divided into 5,109,892 ordinary shares of £1.00 each. All shares rank *pari passu* as regards income (rights to distribution), capital (surplus of assets on liquidation or otherwise), voting (at general meetings) and for all other purposes.

31. DISAPPLICATION OF PRE-EMPTION RIGHTS

In accordance with section 569 of the Companies Act 2006, section 561 of the Act shall be excluded from applying to the company.

32. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

32.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

- 32.2 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.

33. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is entitled to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it. Without prejudice to the provisions of this article, the company shall be entitled at its absolute discretion to register trustees as such in respect of any shares held upon any trust.

34. SHARE CERTIFICATES

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

- 34.2 Every certificate must specify:

- 34.2.1 in respect of how many shares, of what class, it is issued;
- 34.2.2 the nominal value of those shares;
- 34.2.3 the amount paid up on them; and
- 34.2.4 any distinguishing numbers assigned to them.

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

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

- 34.5 Certificates must:

- 34.5.1 have affixed to them the company's common seal; or
- 34.5.2 be otherwise executed in accordance with the Companies Acts.

35. REPLACEMENT SHARE CERTIFICATES

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

- 35.1.1 damaged or defaced; or
- 35.1.2 said to be lost, stolen or destroyed,

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

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

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

36. SHARE TRANSFERS

- 36.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 36.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 36.3 The company may retain any instrument of transfer which is registered.
- 36.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 36.5 The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

DIVIDENDS AND OTHER DISTRIBUTIONS

37. PROCEDURE FOR DECLARING DIVIDENDS

- 37.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 37.2 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.
- 37.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 37.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 37.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

37.6 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.

37.7 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.

38. CALCULATION OF DIVIDENDS

38.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:

38.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

38.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

38.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

38.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

39. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

39.1 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:

39.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

39.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

39.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

39.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

39.2 In the articles, the distribution recipient means, in respect of a share in respect of which a dividend or other sum is payable:

39.2.1 the holder of the share; or

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

39.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

40. NO INTEREST ON DISTRIBUTIONS

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

40.1 the terms on which the share was issued; or

40.2 the provisions of another agreement between the holder of that share and the company.

41. UNCLAIMED DISTRIBUTIONS

41.1 All dividends or other sums which are:

41.1.1 payable in respect of shares; and

41.1.2 unclaimed after having been declared or become payable,

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

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

41.3 If:

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

41.3.2 the distribution recipient has not claimed it,

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

42. NON-CASH DISTRIBUTIONS

42.1 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).

42.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

42.2.1 fixing the value of any assets;

42.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

42.2.3 vesting any assets in trustees.

43. WAIVER OF DISTRIBUTIONS

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:

43.1 the share has more than one holder; or

43.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

44. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

44.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

44.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

44.1.2 appropriate any sum which they so decide to capitalise (a capitalised sum) to the persons who would have been entitled to it if it were distributed by way of dividend (the persons entitled) and in the same proportions.

44.2 Capitalised sums must be applied:

44.2.1 on behalf of the persons entitled; and

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

44.3 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.

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

44.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or

44.4.2 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.

44.5 Subject to the articles the directors may:

- 44.5.1 apply capitalised sums in accordance with articles 44.3 and 44.4 partly in one way and partly in another;
- 44.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- 44.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 5 - DECISION-MAKING BY SHAREHOLDERS

45. WRITTEN RESOLUTIONS

A resolution of the members (or a class of members) may be passed as a written resolution in accordance with chapter 2 of part 13 of the Companies Act 2006.

PART 6 - ADMINISTRATIVE ARRANGEMENTS

46. MEANS OF COMMUNICATION TO BE USED

- 46.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the 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.
- 46.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 46.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

47. ADDRESSES AND OTHER CONTACT DETAILS

- 47.1 Anything sent to a shareholder under the Articles may be sent to that shareholder's address as registered in the register of members, unless:
 - 47.1.1 the shareholder and the company have agreed that another means of communication is to be used; and

47.1.2 the shareholder has supplied the company with the information it needs in order to be able to use that other means of communication.

47.2 Any notice or document sent to a director may be sent to that director's address as registered in the register of directors, unless:

47.2.1 the director and the company have agreed that another means of communication is to be used; and

47.2.2 the director has supplied the company with the information it needs in order to be able to use that other means of communication.

48. COMPANY SEALS

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

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

48.3 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.

48.4 For the purposes of this article, an authorised person is:

48.4.1 any director of the company;

48.4.2 the company secretary (if any); or

48.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

49. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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

50. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

DIRECTORS' INDEMNITY AND INSURANCE

51. INDEMNITY

51.1 Subject to article 51.2, a relevant person may be indemnified out of the company's assets against:

51.1.1 any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

51.1.2 any liability incurred by that person 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),

51.1.3 any other liability, costs, charges, losses and expenses incurred by that person as an officer of the company or an associated company.

If the directors so resolve, the company may also fund any such person's expenditure on defending proceedings.

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

51.3 In this article:

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

51.3.2 a relevant person means any person who is or was at any time a director, secretary, other officer or employee of the company or an associated company.

52. INSURANCE

52.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant person in respect of any relevant loss.

52.2 In this article:

52.2.1 a relevant person means any person who is or was at any time a director, secretary, other officer or employee of the company or an associated company,

52.2.2 a relevant loss means any loss, cost, charge, expense or liability which has been or may be incurred by a relevant person in connection with that person'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

52.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.