

**ARTICLES OF ASSOCIATION**

**AGR SUBSEA LIMITED**  
**(Company Number SC232751)**

**(as amended by special resolution passed on 25 February 2013)**

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COMPANIES HOUSE



**THE COMPANIES ACTS 1985 AND 1989**  
**A PRIVATE COMPANY LIMITED BY SHARES**

**Articles of Association**

**1 Definitions and interpretation**

**1.1** In these Articles, unless the context requires otherwise

the “**Company**” means AGR Subsea Limited,

“**Act**” means the Companies Act 1985 as amended and construed at the date of adoption of these Articles,

“**Board**” means the board of directors of the Company from time to time,

“**Group**” means the Company and all its subsidiaries and subsidiary undertakings from time to time and “member of the Group” shall be construed accordingly,

“**Member**” means any registered holder of a Share,

“**Share**” means a share in the capital of the Company, and

“**Table A**” means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000

**1.2** The regulations of Table A shall be incorporated into and form part of these Articles and shall apply to the Company insofar as such regulations are not excluded, amended or modified by or inconsistent with this document

**1.3** References in these Articles to Regulations are to regulations in Table A and references to an Article by number are to a particular Article of these Articles

**1.4** These Articles and the Regulations incorporated into them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company

**1.5** In these Articles where the context so permits

- (a) words importing the singular number only shall include the plural number, and vice versa,
- (b) words importing the masculine gender only shall include the feminine gender,
- (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships, and
- (d) the expression “**paid up**” shall include credited as paid up

- 1.6 Words and expressions defined in or for the purposes of the Act or Table A shall, unless these Articles provide otherwise, have the same meaning in these Articles
- 1.7 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them
- 1.8 Headings used in these Articles shall not affect their construction or interpretation
- 1.9 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re enactment thereof for the time being in force

## **2 Share capital**

- 2.1 The Company is a private company as defined by Section 1 of the Act and accordingly any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company or any allotment of or agreement to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public shall be prohibited.
- 2.2 The authorised share capital of the Company at the date of the adoption of these Articles is £1000.00 divided into 1000 Ordinary Shares of £1.00 each
- 2.3 The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two directors or any one director and the secretary Regulation 6 shall be extended accordingly

## **3 Issue of Shares**

- 3.1 The directors are generally and unconditionally authorised to allot relevant securities (within the meaning of Section 80(2) of the Act) on such terms and at such time or times as they may in their discretion think fit, provided that
- (a) the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be the aggregate nominal amount of the authorised but unissued Shares from time to time while this authority is in force, and
  - (b) this authority shall expire, unless sooner revoked or altered by the Company in general meeting, on the expiry of the period of five years from the date of incorporation of the Company provided that the Company may before such expiry make one or more offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities after such authority has expired in pursuance of every such offer or agreement as if the power conferred hereby had not expired
- 3.2 The authority conferred by this Article 3 is in substitution for each (if any) other authority already given pursuant to the said section 80 whether contained in earlier articles of association of the Company or otherwise and each (if any) such earlier authority is hereby revoked but without prejudice to the validity of any allotment offer or agreement made pursuant to any such earlier authority before the date of adoption of these Articles

3.3 Section 89(1) and Sections 90(1) to (6) of the Act shall not apply to the Company

#### **4 Transfer of shares**

Regulation 24 shall be amended by the addition of the words "(in their absolute discretion and without assigning any reason therefor)" between the words "may" and "refuse" and the deletion of the words "which is not" and the substitution of the words "whether or not it is"

4A Notwithstanding anything contained in these Articles, any pre-emption rights conferred on existing members by these Articles shall not apply and the Company and the directors shall not decline to register any transfer of shares, nor may they suspend such registration, where such transfer:

- (a) is to any Secured Party; or
- (b) is delivered to the Company for registration by a Secured Party in order to perfect its security over the shares; or
- (c) is executed by a Secured Party pursuant to the power of sale or otherwise under such security.

4A.1 Furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Party and no Secured Party shall be required to offer the shares which are or are to be the subject of any such aforementioned transfer to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not.

4A.2 For the purposes of this Article, "**Secured Party**" means any bank, financial institution, trust, fund or other entity or person to which a security interest has been granted over the shares in the Company, or any agent, security agent, nominee, receiver or other entity acting on its behalf.

4A.3 Any lien on shares which the Company has shall not apply in respect of any shares which have been changed by way of security to a Secured Party.

#### **5 Alteration of share capital**

5.1 Regulation 32 shall be amended by the addition to paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share"

5.2 Regulation 33 shall not apply to the Company

#### **6 Proceedings at general meetings**

6.1 Regulation 40 shall be amended by the addition at the end of the second sentence of the words "provided that if the Company shall have only one member, one member present in person or by proxy shall be a quorum"

6.2 Regulation 46 shall be amended by the deletion of paragraphs (a) to (d) inclusive and the substitution of the words "by the chairman or by any person present entitled to vote upon the business to be transacted"

6.3 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to exercise a second or casting vote in addition to any other vote he may have at any general meeting or at any separate meeting of the holders of any class of Shares Regulation 50 shall not apply to the Company

6.4 Regulation 54 shall be amended by the addition of the words "or by proxy" between the words "vote," and "shall" and the words "fully paid" between the words "every" and "share"

6.5 Regulation 62 shall be amended by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to" and by the insertion at the end of the Regulation after the word "invalid" of the words "unless a majority of the Board resolve otherwise"

6.6 Regulation 63 shall be amended by the addition of the words ",left or sent" after the word "deposited"

## **7 Number of Directors**

The number of directors shall not be less than one If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles Regulations 64 and 89 shall be amended accordingly

## **8 Alternate Directors**

8.1 The appointment of an alternate director shall not be subject to approval by resolution of the directors Regulation 65 shall be amended accordingly

8.2 Regulation 66 shall be amended by the insertion in the first sentence between the words "shall" and "be" of the words "(subject to ins giving the Company an address within the United Kingdom at which notice may be served upon him)"

8.3 Regulation 67 shall be amended by the deletion of the words from "but" until the end of that Regulation

8.4 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

8.5 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present

## **9 Appointment and retirement of Directors**

9.1 Directors shall not be required to retire by rotation Accordingly

(a) Regulations 73, 74, 75 and 80 shall not apply to the Company

(b) Regulation 76 shall be amended by the deletion of the words "other than a director retiring by rotation", "or reappointed" and "or reappointment" each time they appear in that Regulation

- (c) Regulation 77 shall be amended by the deletion of the words "(other than a director retiring by rotation at the meeting)", "or reappointment" and "or reappointed" each time they appear in that Regulation
- (d) Regulation 78 shall be amended by the deletion of the words "and may also determine the rotation in which any additional directors are to retire"
- (e) Regulation 79 shall be amended by the deletion of the second and third sentences in that Regulation
- (f) the last sentence of Regulation 84 shall not apply to the Company

9.2 The office of a director shall be vacated if both

- (a) (being an executive director of the Company or any subsidiary) he ceases to hold office as an employee of the Company or any subsidiary without being appointed or continuing to be an employee of another member of the Group, and
- (b) a majority of the Board so requires

Regulation 81 shall be extended accordingly

- 9.3 Regulation 82 shall be amended by the addition of the words "by way of directors' fees" shall be inserted between the words "remuneration" and "as"
- 9.4 Regulation 84 shall be amended by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence and the deletion of the fourth sentence
- 9.5 Regulation 85(c) shall be amended by the addition of the words ", subject to the terms of any contract of employment between the Company and the director," between the words "shall" and "not"

## 10 **Proceedings of Directors**

- 10.1 Regulation 72 shall be amended by the addition of the words "Any committee shall have power, unless the directors direct otherwise, to co opt as a member or members of the committee for any specific purposes any person, or persons, not being a director of the Company" at the end of that Regulation
- 10.2 The chairman of the Board shall not have a second or casting vote at a meeting of the Board. The fifth sentence of Regulation 88 shall not apply to the Company
- 10.3 Subject as provided in Article 7, the quorum for the transaction of business of the Board shall be two directors Regulation 89 shall be amended accordingly
- 10.4 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is

- 10.5 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section Subject where applicable to such disclosure a director may vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company and be counted in determining the quorum Regulations 94 and 95 shall not apply to the Company

## **11 Notices**

- 11.1 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board or shall be sent to any number or address used for the purpose of electronic communications and identified for that purpose by the Company
- 11.2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender
- 11.3 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given by post Proof of who was telephoned and the date and time of the call shall be conclusive evidence that notice was given by telephone A comprehensive transaction report or log generated by a fax machine, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by fax A copy of a record of the total number of recipients sent to or each recipient to whom an e mail message was sent together with any notices of failed transmissions and copies of records of subsequent re sending, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by e mail A notice shall be deemed to have been given at the expiration of 24 hours after the envelope containing it was posted or in the case of a notice contained in an electronic communication (other than notices transmitted by telephone call which shall be deemed to have been given immediately after the time the telephone call was made), at the expiration of 24 hours after the time it was sent Regulation 115 shall not apply to the Company

## **12 Indemnity**

Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company and, if the Board so determines, the Auditors may be indemnified out of the assets of the Company against any costs, charges, losses and liabilities incurred by him for negligence, default, breach of duty or breach of trust in relation to the Company provided that nothing in this Article shall be deemed to provide for or entitle any such person to indemnification to the extent that it would cause this Article or any element of it to be treated as void under the Act

Regulation 118 shall not apply to the Company

## **13 Special article**

- 13.1 Whenever a company wherever incorporated (hereinafter called the "Parent Company") shall be the holder of not less than 90 per cent of the Shares of the



Company the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles

- (a) the Parent Company may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed, but so that in the case of a managing director his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office,
  - (b) no unissued securities or Shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company, and
  - (c) (any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe
- 13.2 Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose
- 13.3 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 Company 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