

Company Number: SC406916

THE COMPANIES ACT 2006
COMPANIES LIMITED BY SHARES
SPECIAL RESOLUTION BY WRITTEN RESOLUTION
of
EVRA ENERGY LIMITED
("the Company")

Passed on: *9 AUGUST 2013*

The following resolution was duly passed as a special resolution on *9/8/13* by way of a written resolution under Chapter 2 of Part 13 of the Companies Act 2006:

SPECIAL RESOLUTION

"THAT the Articles of Association attached to this resolution be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association."

Nicklaus

Director

SATURDAY



S2EXO46A

SCT

17/08/2013

#309

COMPANIES HOUSE

COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
EVRA ENERGY LIMITED

ACH SHOOSMITHS
2nd Floor North
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

DX 553051, Edinburgh 18
LP 300, Edinburgh 2

T 03700 868000
F 03700 868008

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
EVRA ENERGY LIMITED (the "Company")

INTERPRETATION AND LIMITATION OF LIABILITY

1 Defined Terms

1.1 In the Articles, unless the context requires otherwise:

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

"Alternate" or **"Alternate Director"** has the meaning given in Article 20;

"Articles" means the Company's articles of association;

"Chairman" has the meaning given in Article 12;

"Chairman of the Meeting" has the meaning given in Article 42;

"Director" means a Director of the Company for the time being (even if there is only one), and includes any person occupying the position of Director, by whatever name called;

"Distribution Recipient" has the meaning given in Article 32;

"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;

"Employee" means an employee of the Company or any of its Subsidiaries including an executive director;

"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;

"Notice" means notice in Writing to the registered office or residential address of the person concerned, contained in the Company's Statutory Registers, or email address of the person concerned supplied to the Company for the purpose of giving notices;

Ordinary Resolution has the meaning given in section 282 of the Companies Act 2006;

"Paid" means Paid or credited as Paid;

"Participate" or **"Participating"**, in relation to a Directors' meeting, has the meaning given in Article 10;

"Proxy Notice" has the meaning given in Article 46;

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

"Shareholder" means a person who is the Holder of a Share;

"Share(s)" means Share(s) 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 Sequestration 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 in the Act as in force on the date when these Articles become binding on the Company.

1.3 These Articles apply instead, and to the exclusion, of the model articles for private companies limited by shares set out in schedule 1 of The Companies (Model Articles) Regulations 2008.

2 Liability of Shareholders

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

DIRECTORS' POWERS AND RESPONSIBILITIES

3 Directors' general authority

3.1 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.

3.2 A sole Director shall have authority to exercise all the powers and discretions by the Articles expressed to be vested in the Directors generally.

4 Shareholders' reserve power

4.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.

4.2 No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

5 Directors may delegate

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

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

as they think fit.

5.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

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

6 Committees

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

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

DECISION-MAKING BY DIRECTORS

7 Directors to take decisions collectively

7.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting (unless all the Shareholders have agreed otherwise) or a decision taken in accordance with Article 8.

7.2 If the Company only has 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.

8 Unanimous decisions

8.1 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.

8.2 Such a decision may take the form of a resolution in Writing, where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in Writing.

8.3 References in this Article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.

8.4 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.

9 Calling a Directors' meeting

9.1 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.

9.2 Notice of any Directors' meeting must indicate:

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

9.3 Notice of a Directors' meeting must be given to each Director, but need not be in Writing.

9.4 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.

10 Participation in Directors' meetings

- 10.1 Subject to the Articles, Directors Participate in a Directors' meeting, or part of a Directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether Directors are Participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 10.3 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.

11 Quorum for Directors' meetings

- 11.1 Where the Company has two or more Directors, at a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Unless agreed otherwise by all the Shareholders, the quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but where the Company has two or more Directors it must never be less than two, and unless otherwise fixed it is two.

12 Chairing of Directors' meetings

- 12.1 The Directors may appoint a Director to chair their meetings.
- 12.2 The person so appointed for the time being is known as the Chairman.
- 12.3 The Directors may terminate the Chairman's appointment at any time.
- 12.4 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.

13 Conflicts of interest

- 13.1 Subject to sections 177(5) and 177(6) and Sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts and subject to any agreement between all the Shareholders, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company –
- 13.1.1 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;
 - 13.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 13.1.3 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 contract or proposed contract in which he is interested;
 - 13.1.4 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;

13.1.5 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

13.1.6 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 Act)) 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 Act.

13.2 For the purposes of this Article, references to proposed decisions and decision-making processes include any Board Meeting or part of a Board Meeting.

14 Records of decisions to be kept

14.1 The Directors shall 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.

15 Directors' discretion to make further rules

15.1 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

16 Methods of appointing Directors

16.1 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:

- (a) by Ordinary Resolution;
- (b) by a decision of the Directors; or
- (c) as otherwise agreed by all the Shareholders in writing.

16.2 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.

16.3 For the purposes of Article 16.2, where 2 or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

17 Termination of Director's appointment

17.1 A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Acts or is prohibited from being a Director by law;
- (b) that person is sequestered, is adjudicated bankrupt, has a Trustee appointed, signs a trust deed, or otherwise makes an arrangement or composition for or with his creditors generally (or any analogous proceedings or process in any jurisdiction);
- (c) 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;

- (d) that person is, or may be, suffering from mental disorder and either:
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under mental health legislation for the time being in force in any part of the United Kingdom; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or which wholly or partly prevents that person from personally exercising any powers or rights which that person otherwise would have; or
- (e) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.

17.2 In relation to a Director who is a body corporate, such body corporate ceases to be a Director as soon as:

- (a) a receiver, manager, administrative receiver or administrator is appointed to such Director or over all or any part of its undertaking or assets (or any analogous proceedings or process in any jurisdiction); or
- (b) a resolution is passed or petition presented for the liquidation or winding up of the Director.

18 Directors' remuneration

18.1 Directors may undertake any services for the Company that the Directors decide.

18.2 Directors are entitled to such remuneration as the Directors determine:

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

18.3 Subject to the Articles, a Director's remuneration may:

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

18.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

18.5 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.

19 Directors' expenses

19.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors,
- (b) general meetings, or
- (c) 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.

20 Appointment and removal of Alternate Directors

20.1 Any Director (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors ("Alternate"), to:

- (a) exercise the Appointor's powers; and
- (b) carry out the Appointor's responsibilities.

in relation to the taking of the decisions by the Directors in the absence of the Appointor.

20.2 Any appointment or removal of an Alternate must be affected by Notice in Writing to the Company signed by the Appointor, or in any manner approved by the Directors and must:

- (a) identify the proposed Alternate; and
- (b) in the case of a Notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the Alternate of the Director giving the Notice.

21 Rights and responsibilities of Alternate Directors

21.1 An Alternate Director may act as Alternate to more than one Director and has the same rights in relation to any decision of the Directors as the Appointor.

21.2 Except as the Articles specify otherwise, Alternate Directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors;

and in particular 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.

21.3 A person who is an Alternate Director but not a Director:

- (a) may be counted as Participating under the meaning specified in Article 10.1 for the purposes of determining whether a quorum is Participating (but only if that person's Appointor is not Participating); and
- (b) may Participate in a unanimous decision of the Directors provided his Appointor is an Eligible Director in relation to that decision but does not Participate.

No Alternate may be counted as more than one Director for such purposes.

21.4 A Director who is also an Alternate Director:

- (a) 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 Director's (provided that his Appointor is an Eligible Director in relation to that decision);
- (b) shall count for the purpose of reckoning whether a quorum is present at any Director's meeting attended by him or which he is entitled to vote.

21.5 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Appointor's remuneration as the Appointor may direct by Notice in Writing made to the Company.

22 Termination of Alternate Directorship

- 22.1 An Alternate Director's appointment as an Alternate terminates when the Alternate's Appointor's appointment as a Director terminates or when the Alternate's Appointor revokes the appointment by Notice to the Company in Writing specifying when it is to terminate;

SHARES

23 Issue of Shares

- 23.1 No shares may be allotted or issued unless agreed by all the Shareholders in writing or in accordance with any agreement among all the Shareholders.
- 23.2 In accordance with section 567 of the Act, sections 561 and 562 are excluded.

24 Powers to issue different classes of Share

- 24.1 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.
- 24.2 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.

25 Company not bound by less than absolute interests

- 25.1 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or 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.

26 Share certificates

- 26.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 26.2 Every certificate must specify:
- (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares; and
 - (c) any distinguishing numbers assigned to them.
- 26.3 No certificate may be issued in respect of Shares of more than one class.
- 26.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 26.5 Certificates must:
- (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Act.

27 Replacement share certificates

- 27.1 If a certificate issued in respect of a Shareholder's Shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 27.2 A Shareholder exercising the right to be issued with such a replacement certificate:

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

28 Lien

28.1 The Company has a first and paramount lien over every Share which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered Holder thereof or is one of two or more joint Holders, for all monies payable by him or his estate to the Company in respect of any unpaid sums due in relation to those Shares, (whether payable immediately or at some time in the future).

28.2 The Company's lien over Shares:

- (a) takes priority over any third party's interest in such Shares; and
- (b) extends to any dividend or other money payable by the Company in respect of such Shares and (if the Company's lien is in force and such Shares are sold by the Company) the proceeds of sale of such Shares.

28.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

28.4 (a) Subject to the provisions of this Article, if:

- (i) Notice of the Company's intention to enforce a lien ("Lien Enforcement Notice") has been sent in respect of the Shares; and
- (ii) the person to whom the Lien Enforcement Notice was sent has failed to comply with it, the Company may sell those Shares in such a manner as the Directors decide;

(b) A Lien Enforcement Notice:

- (i) may only be given in respect of Shares which are subject to the Company's Lien if a sum in respect of which the lien exists is payable and the due date for payment of that sum has passed;
- (ii) must specify the Shares concerned;
- (iii) must include a demand for payment of the sum payable within 14 days;
- (iv) must be addressed either to the Holder of such Shares or to a person entitled to such Shares by reason of the Holder's death, Sequestration or otherwise in accordance with the Articles; and
- (v) must state the Company's intention to sell the Shares if the Notice is not complied with;

(c) If Shares are sold under this Article:

- (i) the Directors may authorise any person to execute an Instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
- (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

- (d) The net proceeds or any such sale (after payment of the costs of sale and any other costs enforcing the lien) must be applied:
 - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
 - (ii) second, in payment to the person entitled to the Shares at the date of the sale, but only after the Certificate for the Share is sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificate, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice;
- (e) A statutory declaration by a Director or the Company secretary (if there is one) that the declarant is a Director or the Company secretary and that a Share has been sold to satisfy the Company's lien on a specified date:
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (ii) subject to compliance with any other formalities of transfer required by these Articles or by Law, constitutes a good title to the Share.

29 Calls on Shares and Forfeiture

- 29.1 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a Notice (a "Call Notice") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "Call") which is payable to the Company at the date when the Directors decide to send the Call Notice.
- 29.2 A Call Notice:
 - (a) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;
 - (b) must state when and how any Call to which it relates is to be Paid; and
 - (c) may permit or require the Call to be made in instalments.
- 29.3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the Notice is given and the date on which that 14 day period expires) have passed since the Notice was sent.
- 29.4 Before the Company has received any Call due under a Call Notice the Directors may:
 - (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the Notice,
 by a further Notice in Writing to the Shareholder in respect of whose Shares the Call is made.
- 29.5 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be Paid.
- 29.6 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.
- 29.7 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:
 - (a) to pay Calls which are not the same; or
 - (b) to pay Calls at different times.

29.8 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:

- (a) on allotment;
- (b) on the occurrence of a particular event; or
- (c) on a date fixed by or in accordance with the terms of issue.

29.9 But if the due date for payment of such a sum has passed and it has not been Paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

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

- (a) the Directors may issue a Notice of intended forfeiture to that person; and
- (b) until the Call is Paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.

29.11 For the purposes of this article:

- (a) the "Call payment date" is the time when the Call Notice states that a Call is payable, unless the Directors give a Notice specifying a later date, in which case the "Call payment date" is that later date; and
- (b) the "relevant rate" is the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
- (c) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors; or
- (d) if no rate is fixed in either of these ways, 5 per cent per annum.

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

29.13 The Directors may waive any obligation to pay interest on a Call wholly or in part.

29.14 A Notice of intended forfeiture:

- (a) may be sent in respect of any Share in respect of which a Call has not been Paid as required by a Call Notice;
- (b) must be sent to the holder of that Share (or all the joint holders of that Share) or to a Transmittree of that holder;
- (c) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the Notice (that is, excluding the date on which the Notice is given and the date on which that 14 day period expires);
- (d) must state how the payment is to be made; and
- (e) must state that if the Notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

29.15 If a Notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the Notice of intended forfeiture, the Directors may decide that any Share in respect of

which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not Paid before the forfeiture.

29.16 Subject to the Articles, the forfeiture of a Share extinguishes:

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

29.17 Any Share which is forfeited in accordance with the Articles:

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

29.18 If a person's Shares have been forfeited:

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

29.19 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.

29.20 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the Instrument of transfer.

29.21 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been forfeited on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

29.22 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

29.23 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

- (a) was, or would have become, payable; and
- (b) had not, when that Share was forfeited, been Paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

29.24 A Shareholder may surrender any Share:

- (a) in respect of which the Directors may issue a Notice of intended forfeiture;
- (b) which the Directors may forfeit; or
- (c) which has been forfeited.

29.25 The Directors may accept the surrender of any such Share.

29.26 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

29.27 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

30 Share Transfers

- 30.1 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 and, if any of the Shares is nil or partly Paid, the transferee.
- 30.2 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 together with a Notice of refusal giving reasons for such refusal as soon as practicable and in any event within two months after the date on which the Instrument of transfer was lodged for registration, unless the Directors suspect that the proposed transfer may be fraudulent.

DIVIDENDS AND OTHER DISTRIBUTIONS

31 Procedure for declaring dividends

- 31.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.
- 31.2 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.
- 31.3 No dividend may be declared or Paid unless it is in accordance with Shareholders' respective rights.
- 31.4 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.
- 31.5 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.
- 31.6 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.
- 31.7 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.

32 Payment of dividends and other distributions

32.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be Paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the Distribution Recipient either in Writing or as the Directors may otherwise decide;
- (b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a Holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in Writing or as the Directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in Writing or as the Directors may otherwise decide; or
- (d) any other means of payment as the Directors agree with the Distribution Recipient either in Writing or by such other means as the Directors decide.

32.2 In the Articles, "the Distribution Recipient" means, in respect of a Share in respect of which a dividend or other sum is payable:

- (a) the Holder of the Share; or
- (b) if the Share has two or more joint Holders, whichever of them is named first in the register of Shareholders; or
- (c) if the Holder is no longer entitled to the Share by reason of death or Sequestration, or otherwise by operation of law, the Transmittree.

33 No interest on distributions

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

- (a) the terms on which the Share was issued, or
- (b) the provisions of another agreement between the Holder of that Share and the Company.

34 Unclaimed distributions

34.1 All dividends or other sums which are:

- (a) payable in respect of Shares, and
- (b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

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

34.3 If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the Distribution Recipient has not claimed it,

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

35 Non-cash distributions

- 35.1 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).
- 35.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- (a) fixing the value of any assets;
 - (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.

36 Waiver of distributions

- 36.1 Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company Notice in Writing to that effect, but if:
- (a) the Share has more than one Holder, or
 - (b) more than one person is entitled to the Share, whether by reason of the death or Sequestration 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

37 Authority to capitalise and appropriation of capitalised sums

- 37.1 Subject to the Articles, the Directors may, if they are so authorised by an Ordinary Resolution:
- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's Share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 37.2 Capitalised sums must be applied:
- (a) on behalf of the persons entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- 37.3 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.
- 37.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully Paid to the persons entitled or as they may direct.
- 37.5 Subject to the Articles the Directors may:
- (a) apply capitalised sums in accordance with paragraphs 37.3 and 37.4 partly in one way and partly in another;

- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

ORGANISATION OF GENERAL MEETINGS

38 Attendance and speaking at general meetings

38.1 Subject to Article 38.2 below, on a vote on a resolution at a general meeting on a show of hands:-

- (a) each Shareholder who, being an individual, is present in person has one vote;
- (b) if a Shareholder (whether such Shareholder is an individual or a corporation) appoints one or more proxies to attend the meeting, all proxies so appointed and in attendance at the meeting have, collectively, one vote; and
- (c) if a corporate Shareholder appoints one or more persons to represent it at the meeting, each person so appointed and in attendance at the meeting has, subject to section 323(4) of the Act, one vote.

Subject to Article 38.3 below, on a resolution at a general meeting on a poll, every Shareholder (whether present in person, by proxy or authorised representative) has one vote in respect of each Share held by him.

38.2 No Shareholder may vote at any general meeting or any separate meeting of the Holders of any class of Shares in the Company, either in person, by proxy or, in the event that the Shareholder is a corporation, by corporate representative in respect of Shares held by that Shareholder unless all moneys currently due and payable by that Shareholder in respect of any Shares held by that Shareholder have been Paid.

38.3 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

38.4 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

39 Quorum for general meetings

39.1 If and for so long as the Company has one Shareholder only, one Shareholder entitled to vote on the business to be transacted, who is present at a general meeting in person or by one or more proxies or, in the event that the Shareholder is a corporation, by one or more corporate representatives, is a quorum.

39.2 Unless agreed otherwise by all the Shareholders in writing, if and for so long as the Company has two or more Shareholders, two Shareholders, each of whom is entitled to vote on the business to be transacted and is present at a general meeting in person or by one or more proxies or, in the event that any Shareholder present is a corporation, by one or more corporate representatives, are a quorum.

39.3 No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

40 Chairing general meetings

- 40.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 40.2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the Directors present, or
 - (b) (if no Directors are present), the meeting must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.
- 40.3 The person chairing a meeting in accordance with this Article is referred to as "the Chairman of the Meeting".

41 Attendance and speaking by Directors and non-Shareholders

- 41.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 41.2 The Chairman of the Meeting may permit other persons who are not:
- (a) Shareholders of the Company, or
 - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak at a general meeting.

42 Adjournment

- 42.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- 42.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 42.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 42.4 When adjourning a general meeting, the Chairman of the Meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 42.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' Notice of it (that is, excluding the day of the adjourned meeting and the day on which the Notice is given):
- (a) to the same persons to whom Notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such Notice is required to contain.
- 42.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

43 Voting: general

- 43.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 43.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

44 Errors and disputes

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

45 Poll votes

- 45.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 45.2 A poll may be demanded by:
- (a) the Chairman of the Meeting;
 - (b) the Directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.
- 45.3 A demand for a poll may be withdrawn if:
- (a) the poll has not yet been taken, and
 - (b) the Chairman of the Meeting consents to the withdrawal.
- 45.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

46 Content of Proxy Notices

- 46.1 Proxies shall be validly appointed by a Notice in Writing (a "**Proxy Notice**") which:
- (a) states the name and address of the Shareholder appointing the proxy;
 - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to the Company in accordance with the Articles and any instructions contained in the Notice of the general meeting to which they relate;

or is in such other form as the Directors of the Company permit.

- 46.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 46.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 46.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

47 Delivery of Proxy Notices

- 47.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 47.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a Notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 47.3 A Notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 47.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

48 Amendments to resolutions

- 48.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
 - (a) Notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- 48.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
 - (a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 48.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.

49 Written Resolutions

- 49.1 The Shareholders may pass any resolution (other than a resolution to remove a Director or Auditor before expiry of its term of office) as a Written Resolution in accordance with chapter 2 of part 13 of the Act.

ADMINISTRATIVE ARRANGEMENTS

50 Means of communication to be used

- 50.1 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 Act provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 50.2 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.
- 50.3 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.

51 Company seal

- 51.1 Any common seal may only be used by the authority of the Directors.
- 51.2 The Directors may decide by what means and in what form any common seal is to be used.
- 51.3 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.
- 51.4 For the purposes of this Article, an authorised person is:
- (a) any Director of the Company;
 - (b) the Company secretary (if any); or
 - (c) any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

52 No right to inspect accounts and other records

- 52.1 Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or Documents merely by virtue of being a Shareholder.

53 Provision for Employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

54 Indemnity

- 54.1 Subject to Article 54.2 a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,

- (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act),
- (c) any other liability incurred by that Director as an officer of the Company or an associated company.

54.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

54.3 In this Article:

- (a) companies are associated if one is a Subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant Director" means any Director or former Director of the Company or an associated company.

55 Insurance

55.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.

55.2 In this Article:

- (a) a "relevant Director" means any Director, secretary, former Director or former secretary of the Company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated company or any pension fund or Employees' Share scheme of the Company or associated company, and
- (c) companies are associated if one is a Subsidiary of the other or both are subsidiaries of the same body corporate.