

Company number 00070234

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION OF
HISCOX INSURANCE COMPANY LIMITED

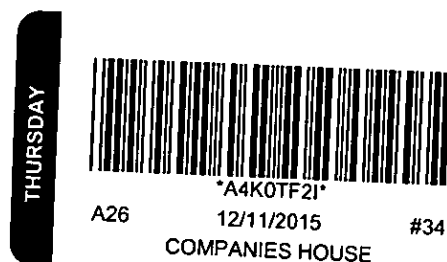
PASSED 2 NOVEMBER 2015

SPECIAL RESOLUTION

That the existing Articles of Association be deleted in their entirety and the new Articles of Association, as initialled by the Company Secretary for the purposes of identification, be adopted in their place



John Taylor
Secretary



Company No 00070234

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of Hiscox Insurance Company Limited
(adopted by Special Resolution on 2 November 2015)



N A B A R R O

Nabarro LLP
125 London Wall
London EC2Y 5AL

Tel +44(0)20 7524 6000

CONTENTS

| Clause | Subject matter | Page |
|--------|--|------|
| | INTERPRETATION AND LIMITATION OF LIABILITY | 1 |
| 1 | DEFINED TERMS | 1 |
| 2 | LIABILITY OF SHAREHOLDERS | 4 |
| | DIRECTORS | 4 |
| 3 | DIRECTORS' GENERAL AUTHORITY | 4 |
| 4 | SHAREHOLDERS' RESERVE POWER | 4 |
| 5 | DIRECTORS MAY DELEGATE | 4 |
| 6 | COMMITTEES | 5 |
| 7 | DIRECTORS TO TAKE DECISIONS COLLECTIVELY | 5 |
| 8 | UNANIMOUS DECISIONS | 5 |
| 9 | CALLING A DIRECTORS' MEETING | 5 |
| 10 | PARTICIPATION IN DIRECTORS' MEETINGS | 6 |
| 11 | QUORUM FOR DIRECTORS' MEETINGS | 6 |
| 12 | CHAIRING OF DIRECTORS' MEETINGS | 6 |
| 13 | CASTING VOTE | 6 |
| 14 | RECORDS OF DECISIONS TO BE KEPT | 7 |
| 15 | DIRECTORS' CONFLICTS | 7 |
| 16 | DIRECTORS' INTERESTS IN TRANSACTIONS AND ARRANGEMENTS | 8 |
| 17 | DIRECTORS' DISCRETION TO MAKE FURTHER RULES | 9 |
| 18 | METHODS OF APPOINTING DIRECTORS | 10 |
| 19 | TERMINATION OF DIRECTOR'S APPOINTMENT | 10 |
| 20 | DIRECTORS' REMUNERATION | 10 |
| 21 | DIRECTORS' EXPENSES | 11 |
| | SHARES AND DISTRIBUTIONS | 11 |
| 22 | ALLOTMENT OF SHARES, DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS AND FINANCING OF PURCHASE OF OWN SHARES | 11 |
| 23 | POWER TO ISSUE DIFFERENT CLASSES OF SHARE | 12 |
| 24 | COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS | 12 |
| 25 | SHARE CERTIFICATES | 12 |
| 26 | REPLACEMENT SHARE CERTIFICATES | 12 |
| 27 | GENERAL PROVISIONS RELATING TO SHARE TRANSFERS | 13 |
| 28 | PROCEDURE FOR DECLARING DIVIDENDS | 13 |
| 29 | PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS | 14 |
| 30 | NO INTEREST ON DISTRIBUTIONS | 15 |
| 31 | DEDUCTION FROM DIVIDENDS | 15 |
| 32 | UNCLAIMED DISTRIBUTIONS | 15 |
| 33 | NON-CASH DISTRIBUTIONS | 15 |
| 34 | WAIVER OF DISTRIBUTIONS | 15 |
| 35 | AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS DECISION-MAKING BY SHAREHOLDERS | 16 |
| 36 | NOTICE, ATTENDANCE AND SPEAKING AT GENERAL MEETINGS | 16 |
| 37 | QUORUM FOR GENERAL MEETINGS | 17 |
| 38 | CHAIRING GENERAL MEETINGS | 17 |
| 39 | VOTING GENERAL | 19 |
| 40 | ERRORS AND DISPUTES | 19 |
| 41 | POLL VOTES | 19 |

| | | |
|----|--|----|
| 42 | CONTENT OF PROXY NOTICES | 20 |
| 43 | DELIVERY OF PROXY NOTICES | 20 |
| 44 | AMENDMENTS TO RESOLUTIONS | 21 |
| | ADMINISTRATIVE ARRANGEMENTS | 21 |
| 45 | MEANS OF COMMUNICATION TO BE USED | 21 |
| 46 | COMPANY SECRETARY | 22 |
| 47 | COMPANY SEALS | 22 |
| 48 | NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS | 22 |
| 49 | PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS | 23 |
| 50 | COMPANY NAME | 23 |
| 51 | INDEMNITY | 23 |
| 52 | INSURANCE | 23 |

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of Hiscox Insurance Company Limited
(the "Company")

INTERPRETATION AND LIMITATION OF LIABILITY

1 DEFINED TERMS

1.1 In these articles ("**Articles**"), unless the context requires otherwise

"Act"

means the Companies Act 2006,

"Associated Company"

has the meaning given in **article 51**,

"Bankruptcy"

means individual insolvency proceedings and includes similar proceedings in a jurisdiction other than England and Wales,

"Chairman"

has the meaning given in **article 12**,

"Chairman of the Meeting"

has the meaning given in **article 38**,

"Clear Days"

means, in relation to a period of notice or otherwise, that period excluding the day when the notice or other Document is received or deemed to be received and the day for which it is sent or on which it is to take effect,

"Conflict Situation"

has the meaning given in **article 15**,

"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 29,

"Document"

includes, unless otherwise specified, any document sent or supplied in Electronic Form,

"Electronic Form"

has the meaning given in section 1168 of the Act,

"FCA"

means the Financial Conduct Authority or any successor regulatory authority,

"FSMA"

means the Financial Services and Markets Act 2000 and any statutory modification or re-enactment for the time being in force,

"Fully Paid"

in relation to a share, means that the nominal value and any premium to be paid or credited as paid to the Company in respect of that share have been paid or credited as paid to the Company,

"Group"

means the Company and every Subsidiary and Holding Company of the Company and every Subsidiary and Holding Company of such Subsidiary and Holding Company,

"Group Company"

means any company which is a member of the Group,

"Hard Copy Form"

has the meaning given in section 1168 of the Act,

"Holder"

in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares,

"Holding Company"

has the meaning given in section 1159 of the Act,

"Instrument"

means a Document in Hard Copy Form,

"Majority Holder"

means the Holder or Holders from time to time of at least 75 per cent in nominal value of the issued share capital of the Company conferring the right to attend and vote at general meetings,

"Ordinary Resolution"

has the meaning given in section 282 of the Act,

"Participate"

in relation to a Directors' meeting, has the meaning given in **article 10**,

"Proxy Notice"

has the meaning given in **article 42**,

"PRA"

means the Prudential Regulation Authority or any successor authority,

"Registered Office"

means the registered office of the Company from time to time notified to the Registrar of Companies in England and Wales and as available on the Companies House website,

"Shareholder"

means a person who is the Holder of a Share,

"Shares"

means shares in the Company,

"Situation involving a Transaction or Arrangement"

has the meaning given in **article 16**,

"Special Resolution"

has the meaning given in section 283 of the Act,

"Subsidiary"

has the meaning given in section 1159 of the Act,

"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 already defined in these articles, words or expressions contained in these articles bear the same meaning as in the Act

1 3 These articles shall be the articles of the Company to the exclusion of any regulation or article prescribed by or pursuant to any statute concerning companies

2 LIABILITY OF SHAREHOLDERS

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

DIRECTORS

3 DIRECTORS' GENERAL AUTHORITY

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. When one Director only is in office, this provision applies to that Director.

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 and no alteration of the articles invalidates anything which the Directors have done before the resolution is passed or the articles are altered (as appropriate).

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:
 - 5.1.1 to such person or committee,
 - 5.1.2 by such means (including by power of attorney),
 - 5.1.3 to such an extent,
 - 5.1.4 in relation to such matters or territories, and
 - 5.1.5 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.
- 5.4 The power to delegate under this article includes a power to delegate the determination of any fee, remuneration or other benefit which may be paid or provided to any Director.

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 prescribe terms of reference for all or any committees, which prevail over rules derived from the articles if they are not consistent with them
- 6 3 Committees may include persons who are not Directors of the Company

7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting of the Directors or a decision taken in accordance with **article 8**

8 UNANIMOUS DECISIONS

- 8 1 A decision of the Directors is taken in accordance with this **article 8** when a majority of 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, copies of which have been signed by a majority of all eligible Directors or to which a majority of all eligible Directors have 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 8** if a majority of all 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 reasonable 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
 - 9 2 1 its proposed date and time, and
 - 9 2 2 where it is to take place
- 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, and notice of the waiver may be given before or after 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 Directors Participate in a Directors' meeting, or part of a Directors' meeting, when
 - 10 1 1 the meeting has been called and takes place in accordance with the Articles, and
 - 10 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
- 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
- 10 4 If the Directors participating in a meeting do not decide where the meeting shall be treated to have taken place in accordance with **article 10 3** then the meeting shall be treated as taking place where a majority of the Directors are located and if no such majority exists then the meeting shall be treated as taking place in the location from which the Chairman participates

11 QUORUM FOR DIRECTORS' MEETINGS

- 11 1 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 Subject to **article 11 3**, the quorum for Directors' meetings may be fixed from time to time by Ordinary Resolution and (subject to **article 11 3**) unless otherwise fixed it is two, except when only one Director is in office
- 11 3 For the purposes of any meeting (or part of a meeting) held to authorise a Director's conflict, if there is only one Director other than the conflicted Director, the quorum for the meeting (or part of a meeting) shall be one

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 A majority of the Directors eligible to vote may terminate the Chairman's appointment at any time
- 12 4 If the Chairman is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors may appoint one of themselves to chair it

13 CASTING VOTE

The Chairman or other Director chairing the meeting shall have a second or casting vote

14 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 decision taken by the Directors

15 DIRECTORS' CONFLICTS

15 1 A "Conflict Situation" means a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company

15 1 1 including a situation relating to the exploitation of any property, information or opportunity, irrespective of whether the Company could take advantage of the property, information or opportunity,

15 1 2 excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest, and

15 1 3 excluding a Situation involving a Transaction or Arrangement

15 2 A Director shall not infringe his duty to avoid a Conflict Situation if the matter or situation which would otherwise result in that Director infringing that duty arises out of or results from that Director

15 2 1 being a Director, officer, employee, consultant or member of any other Group company,

15 2 2 being (directly or indirectly) involved with or interested in, any other Group company, or

15 2 3 acting as trustee, or a Director of a corporate trustee, or being a member, of any pension scheme of which the Company is an employer (as defined in section 124 Pensions Act 1995) or having a direct or indirect interest in any company which is a trustee of or employer in relation to, any such pension scheme,

for the reason that any such matter or situation is hereby authorised and no further authorisation, whether pursuant to **article 15 3** or otherwise, is required in respect of such matter or situation. In addition, any such Director shall not be in breach of any other duties he owes to the Company, including the duty to exercise independent judgment, as a result of him being involved in other Group companies or pension schemes in the manner referred to in this **article 15 2**

15 3 Any other matter or situation which would otherwise result in a Director infringing his duty to avoid a Conflict Situation may be authorised by the Directors. Any such authorisation will only be effective if

15 3 1 the quorum at the meeting of the Directors at which that matter or situation is considered is met without counting the Director in question or any other interested Director, and

15 3 2 the matter or situation was agreed to without their voting or would have been agreed to if their votes had not been counted

15 4 Any authorisation given by the Directors in accordance with **article 15 3**

15 4 1 may (at the time it is given or at any subsequent time) be made subject to such terms and such conditions as the Directors consider appropriate including, if appropriate

- (a) requiring the Director to be excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the board or otherwise) relating to the matter or situation, or
 - (b) a decision of the Directors to redact or withhold documentation relating to the matter or situation before providing such authorisation to the Director in the Conflict Situation, and
- 15 4 2 may (at the time it is given or at any subsequent time) be revoked or varied by the Directors (any such revocation or variation will not affect anything previously done by the Director in accordance with such prior authorisation)
- 15 5 Where in relation to a Director, a matter or situation is authorised under **article 15 2** or specifically authorised by the Directors under **article 15 3**, that Director shall, irrespective of his interest in the matter or situation giving rise to the Conflict Situation, and subject, at all times, to the terms and conditions (if any) of any authorisation and to the provisions of **article 15 4**
- 15 5 1 be entitled to
 - (a) receive any papers or other Documents in relation to or concerning, such matter or situation,
 - (b) attend any meeting (or any part of any meeting) of the Directors or of a committee of the Directors, at which such matter or situation falls to be considered or is discussed or absent himself from any such meeting (or any part of any such meeting), and
 - (c) be counted in the quorum and vote at, any meeting (or any part of any meeting) of the Directors or of a committee of the Directors, at which such matter or situation falls to be considered or is discussed, and
- 15 5 2 not be required to
 - (a) disclose to or use for the benefit of the Company, any confidential information relating to such matter or situation if such disclosure or use would constitute a breach of confidence, and
 - (b) account to the Company for any benefit which he derives from such matter or situation

16 DIRECTORS' INTERESTS IN TRANSACTIONS AND ARRANGEMENTS

- 16 1 A "**Situation involving a Transaction or Arrangement**" means a situation in which a Director is in any way, directly or indirectly, interested in a transaction or arrangement with the Company in circumstances where the provisions of sections 177 or 182 of the Act apply
- 16 2 The provisions of **article 15** shall not apply to a Situation involving a Transaction or Arrangement
- 16 3 Any Director may be interested in a Situation involving a Transaction or Arrangement as long as he declares the nature of his interest in accordance with section 177 or, as the case may be, section 182, of the Act
- 16 4 Where, in relation to a Director, a Situation involving a Transaction or Arrangement has arisen and the Director has declared the nature of his interest in accordance with section 177

or, as the case may be, section 182, of the Act, that Director shall, subject to **articles 16 5** and **16 6**, irrespective of his interest in the matter giving rise to the Situation involving a Transaction or Arrangement, be entitled to

- 16 4 1 receive any papers or other Documents in relation to or concerning, such matter,
 - 16 4 2 attend a meeting (or any part of any meeting) of the Directors or of a committee of the Directors, at which such situation or matter falls to be considered or is discussed, and
 - 16 4 3 be counted in the quorum and vote at, any meeting (or any part of any meeting) of the Directors or of a committee of the Directors at which the relevant situation or matter falls to be considered or is discussed
- 16 5 Where a Director has an interest which gives rise to or can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so required by the other Directors, take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including, without limitation, excluding him from
- 16 5 1 receiving any papers or other Documents in relation to or concerning such situation or matter,
 - 16 5 2 attending any meeting (or any part of any meeting) of the Directors or a committee of the Directors at which the relevant situation or matter falls to be considered or is discussed, or
 - 16 5 3 being counted in the quorum or voting at any meeting (or any part of any meeting) of the Directors or of a committee of the Directors at which the relevant situation or matter falls to be considered or is discussed
- 16 6 If a question arises at a meeting of the Directors or a committee of the Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, 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 binding. If the question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the Board for which purpose the chairman is not to be counted as participating in the meeting (or part of the meeting) for voting or quorum purposes
- 16 7 The Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of any contravention of any provisions of **articles 15** or **16**

17 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the articles, the Directors may regulate their proceedings and the manner in which they take decisions as they see fit

18 METHODS OF APPOINTING DIRECTORS

- 18 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
- 18 1 1 by Ordinary Resolution,
- 18 1 2 by a decision of the Directors, or
- 18 1 3 by written notice by the Majority Holder to the Company
- 18 2 Any appointment under **article 18 1 2** shall be effective when the decision of the Directors has been taken or such other date as is determined by the Directors to be the effective date or upon fulfilment of any condition or conditions prescribed by the Directors
- 18 3 Any appointment under **article 18 1 3** shall be effective when the written notice of appointment is deemed to have been received under **article 45 6**

19 TERMINATION OF DIRECTOR'S APPOINTMENT

- 19 1 A person ceases to be a Director as soon as
- 19 1 1 that person ceases to be a Director in accordance with any provision of the Act or is prohibited from being a Director by law,
- 19 1 2 a finding against that person is made following any enforcement action taken by the PRA and/or the FCA pursuant to their powers under FSMA,
- 19 1 3 a Bankruptcy order is made against that person,
- 19 1 4 a composition is made with that person's creditors generally in satisfaction of that person's debts,
- 19 1 5 he is removed from office under section 168 of the Act,
- 19 1 6 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,
- 19 1 7 the Majority Holder removes him from office by written notice to the Company (such removal to be treated as an act of the Company),
- 19 1 8 at least three quarters of the Directors (not including the Director who is the subject of the notice) removes him from office by written notice to the Company (such removal to be treated as an act of the Company),
- 19 1 9 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
- 19 2 Any removal of a Director from office under **article 19 1 7** shall be effective when the written notice is deemed to have been received under **article 45 6**

20 DIRECTORS' REMUNERATION

- 20 1 Directors may undertake any services for the Company that the Directors decide

- 20 2 Directors are entitled to such remuneration as the Directors determine (as may be set out in an appointment letter between the Director and the Company)
- 20 2 1 for their services to the Company as Directors, and
- 20 2 2 for any other service which they undertake for the Company
- 20 3 Subject to the articles, a Director's remuneration may
- 20 3 1 take any form, and
- 20 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
- 20 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day
- 20 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

21 DIRECTORS' EXPENSES

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

- 21 1 meetings of Directors or committees of Directors,
 - 21 2 general meetings, or
 - 21 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 duties and responsibilities in relation to the Company

SHARES AND DISTRIBUTIONS

22 ALLOTMENT OF SHARES, DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS AND FINANCING OF PURCHASE OF OWN SHARES

- 22 1 The Directors shall not without the prior written consent of the Majority Holder exercise any power of the Company to allot Shares or to grant rights to subscribe for or convert any security into Shares
- 22 2 In accordance with section 567(1) of the Act, sections 561 and 562 shall not apply to any allotment of equity securities made by the Company
- 22 3 The Company may purchase its own Shares with cash in accordance with section 692(1)(b) of the Act

23 POWER TO ISSUE DIFFERENT CLASSES OF SHARE

- 23 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
- 23 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

24 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

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

25 SHARE CERTIFICATES

- 25 1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds
- 25 2 Every certificate must specify
 - 25 2 1 in respect of how many Shares, of what class, it is issued,
 - 25 2 2 the nominal value of those Shares, and
 - 25 2 3 either that the Shares are Fully Paid, or the amount paid up or credited as paid up on each share
- 25 3 No certificate may be issued in respect of Shares of more than one class
- 25 4 If more than one person holds a share, only one certificate may be issued in respect of it
- 25 5 Certificates must be executed in accordance with the Act

26 REPLACEMENT SHARE CERTIFICATES

- 26 1 If a certificate issued in respect of a Shareholder's Shares is
 - 26 1 1 damaged or defaced, or
 - 26 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
- 26 2 A Shareholder exercising the right to be issued with such a replacement certificate
 - 26 2 1 must return the certificate which is to be replaced to the Company if it is damaged or defaced, and

- 26 2 2 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

27 GENERAL PROVISIONS RELATING TO SHARE TRANSFERS

- 27 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
- 27 2 No fee may be charged for registering any Instrument of transfer or other Document relating to or affecting the title to any share
- 27 3 The Company may retain any Instrument of transfer which is registered
- 27 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
- 27 5 The Directors may refuse to register a transfer unless the Instrument of transfer is delivered to the registered office or such other place as the Directors may decide and is accompanied by the certificate for the Shares to be transferred (or an indemnity for any certificate not in the transferor's possession in such form as the Directors may decide) and such other evidence as the Directors may reasonably require to prove the title of the transferor and the execution by him of the transfer or, if the transfer is signed by some other person on his behalf, the authority of that person to do so
- 27 6 The Directors may decline to register a transfer, or purported transfer
- 27 6 1 to any infant, bankrupt or person with mental disorder, or
- 27 6 2 to any person where the transfer is not in accordance with the articles
- 27 7 Other than in circumstances where the refusal to register a transfer is expressly permitted or required by these articles, the Directors may not refuse to register the transfer of a share, and shall promptly approve for registration each transfer which is presented to them for registration. In particular the Directors will register a transfer where the Majority Holder so directs in Writing
- 27 8 If the Directors refuse to register the transfer of a share 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

28 PROCEDURE FOR DECLARING DIVIDENDS

- 28 1 The Company may by Ordinary Resolution declare final dividends. The Directors may decide to declare and pay interim dividends
- 28 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
- 28 3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights

- 28 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
- 28 5 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
- 28 6 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
- 28 7 Every dividend or other distribution shall, at any time prior to being paid, be capable of being cancelled, deferred or withheld by the Board if the Board considers, in its sole discretion without having to give prior notice to the Company's Shareholders or any other justification, that such cancellation, deferral or withholding is or may be necessary or appropriate as a result of any applicable law or regulation or in order otherwise to meet any applicable capital or solvency requirement. Any dividend or distribution declared by Ordinary Resolution or resolved to be paid by the Directors shall only be payable subject to the condition that it shall not have been cancelled, deferred or withheld by the Board prior to its payment (whether or not expressly provided in any relevant resolution). The Directors shall not incur any liability to the Company's Shareholders in respect of any decision by the Board to cancel, defer or withhold a dividend or other distribution in accordance with this article

29 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 29 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
- 29 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,
- 29 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,
- 29 1 3 any other means of payment as the Directors agree with the Distribution Recipient in Writing or as the Directors may otherwise decide
- 29 2 In this article, the "**Distribution Recipient**" means, in respect of a share in respect of which a dividend or other sum is payable
- 29 2 1 the Holder of the share, or
- 29 2 2 if the share has two or more joint Holders, whichever of them is named first in the register of members, or
- 29 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 person entitled to such share

30 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

- 30 1 the terms on which the share was issued, or
- 30 2 the provisions of another agreement between the Holder of that share and the Company

31 DEDUCTION FROM DIVIDENDS

The Directors may deduct from any dividend payable on or in respect of a share all sums of money presently payable by the Holder to the Company on any account whatsoever

32 UNCLAIMED DISTRIBUTIONS

- 32 1 All dividends or other sums which are
 - 32 1 1 payable in respect of Shares, and
 - 32 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
- 32 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

33 NON-CASH DISTRIBUTIONS

- 33 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)
- 33 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
 - 33 2 1 fixing the value of any assets,
 - 33 2 2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients, and
 - 33 2 3 vesting any assets in trustees

34 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

- 34 1 the share has more than one Holder, or

- 34 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

35 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 35 1 Subject to the articles, the Directors may, if they are so authorised by an Ordinary Resolution

- 35 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

- 35 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

- 35 2 Capitalised sums must be applied

- 35 2 1 on behalf of the persons entitled, and

- 35 2 2 in the same proportions as a dividend would have been distributed to them

- 35 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

- 35 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

- 35 5 Subject to the articles the Directors may

- 35 5 1 apply capitalised sums in accordance with **articles** 35 3 and 35 4 partly in one way and partly in another,

- 35 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

- 35 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

DECISION-MAKING BY SHAREHOLDERS

36 NOTICE, ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 36 1 General meetings shall be called by at least 14 Clear Days' notice (that is, excluding the day of the general meeting and the day on which the notice is given)

- 36 2 A general meeting may be called by shorter notice if it is so agreed by a majority in number of the Shareholders having a right to attend and vote, being a majority together holding not less than 90 per cent in nominal value of the Shares giving that right
- 36 3 The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted
- 36 4 Subject to the articles and to any restrictions imposed on any Shares, the notice shall be given to all the Shareholders, to all persons entitled to a share in consequence of the death or Bankruptcy of a Shareholder and to the Directors and auditors of the Company
- 36 5 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
- 36 6 A person is able to exercise the right to vote at a general meeting when
- 36 6 1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 36 6 2 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
- 36 7 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
- 36 8 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other
- 36 9 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

37 QUORUM FOR GENERAL MEETINGS

- 37 1 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
- 37 2 The number of persons who shall constitute a quorum shall be
- 37 2 1 if the Company has only one Shareholder, one Shareholder (present in person or by proxy or, if a corporate Shareholder, by its duly authorised representative), and
- 37 2 2 if the Company has more than one Shareholder, any two Shareholders entitled to vote upon the business to be transacted (present in person or by proxy or, if a corporate Shareholder, by its duly authorised representative)

38 CHAIRING GENERAL MEETINGS

- 38 1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so

38 2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start

38 2 1 the Directors present, or

38 2 2 (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*

38 3 The person chairing a meeting in accordance with this article is referred to as the Chairman of the Meeting

Attendance and speaking by Directors and non-Shareholders

38 4 Directors may attend and speak at general meetings, whether or not they are Shareholders

38 5 The Chairman of the Meeting may permit other persons who are not

38 5 1 Shareholders in the Company, or

38 5 2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting

Adjournment

38 6 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

38 7 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if

38 7 1 the meeting consents to an adjournment, or

38 7 2 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

38 8 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting

38 9 When adjourning a general meeting, the Chairman of the Meeting must

38 9 1 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

38 9 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting

38 10 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 seven Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

38 10 1 to the same persons to whom notice of the Company's general meetings is required to be given, and

38 10 2 containing the same information which such notice is required to contain

38 11 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

39 VOTING GENERAL

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

40 ERRORS AND DISPUTES

40 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

40 2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final

41 POLL VOTES

41 1 A poll on a resolution may be demanded

41 1 1 in advance of the general meeting where it is to be put to the vote, or

41 1 2 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

41 2 A poll may be demanded by

41 2 1 the Chairman of the Meeting,

41 2 2 the Directors,

41 2 3 two or more persons having the right to vote on the resolution, or

41 2 4 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

41 3 A demand for a poll may be withdrawn if

41 3 1 the poll has not yet been taken, and

41 3 2 the Chairman of the Meeting consents to the withdrawal

41 4 A demand for a poll which is withdrawn shall not invalidate the result of a show of hands declared before the demand was made

41 5 A poll demanded on the election of a Chairman or on a question of adjournment shall be taken immediately A poll demanded on any other question shall be taken at such time (not being more than 30 days from the date of the meeting or adjourned meeting at which that poll is demanded) and place and in such manner as the Chairman of the Meeting directs

42 CONTENT OF PROXY NOTICES

- 42 1 Proxies may only validly be appointed by a notice in Writing (a "**Proxy Notice**") which
 - 42 1 1 states the name and address of the Shareholder appointing the proxy,
 - 42 1 2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed,
 - 42 1 3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine, and
 - 42 1 4 is delivered to the Company in accordance with the articles and, subject to article 42 5, any instructions contained in the notice of the general meeting to which they relate
- 42 2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes
- 42 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
- 42 4 Unless a Proxy Notice indicates otherwise, it must be treated as
 - 42 4 1 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
 - 42 4 2 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
- 42 5 The last time for delivery of the Proxy Notice to the Company must not be earlier than the following time
 - 42 5 1 in the case of a meeting or adjourned meeting, 48 hours before the time for holding the meeting or adjourned meeting,
 - 42 5 2 in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of the poll, and
 - 42 5 3 in the case of a poll taken not more than 48 hours after it was demanded, the time at which it was demanded
- 42 6 The Directors may specify in the notice of meeting that in calculating the time for delivery of proxies, no account has been taken of any part of a day that is not a working day

43 DELIVERY OF PROXY NOTICES

- 43 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
- 43 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

- 43 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
- 43 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

44 AMENDMENTS TO RESOLUTIONS

- 44 1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if
- 44 1 1 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
- 44 1 2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution
- 44 2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if
- 44 2 1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- 44 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 44 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

ADMINISTRATIVE ARRANGEMENTS

45 MEANS OF COMMUNICATION TO BE USED

- 45 1 Subject to the other provisions of these 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
- 45 2 Subject to the other provisions of these articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being
- 45 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

- 45 4 The address for service of the Company shall be the Registered Office or such other place as the Directors may appoint. The address for service of each Shareholder shall be his address in the register of members within the United Kingdom or such other address for service, which may include an electronic address, as the addressee may from time to time notify to the Company for the purposes of this article. In the absence of such address the Shareholder shall not be entitled to receive from the Company notice of any meeting.
- 45 5 In the case of joint Holders of a share, a notice or other Document or information shall be sent or given to the joint Holder whose name stands first in the register of members in respect of the joint holding and notice or other Documents or information so sent or given shall be sufficiently sent to all the joint Holders.
- 45 6 Notices or other Documents or information will be deemed to be received
- 45 6 1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice or other Document or information signed by or on behalf of the addressee,
- 45 6 2 if by letter, at noon two days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly prepaid or stamped first class, addressed and delivered to the postal authorities,
- 45 6 3 if by electronic communication to an electronic address, on the same day it is sent and, in proving service, it shall be sufficient to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time, and
- 45 6 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 45 7 For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

46 COMPANY SECRETARY

The Directors may appoint any person who is willing to act as the secretary or persons who are willing to act as joint and/or assistant and/or deputy secretaries for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such persons and, if the Directors so decide, appoint any replacements.

47 COMPANY SEALS

The Company is not required to adopt a common seal.

48 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.

49 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

50 COMPANY NAME

Without prejudice to the ability of Shareholders to change the Company's name by Special Resolution, the Directors may change the Company's name by a decision taken in accordance with these articles, and shall do so if so directed in Writing by the Majority Holder

51 INDEMNITY

51 1 Subject to the provisions of the Act, the Company may

51 1 1 indemnify to any extent any person who is or was a Director, or a Director of an Associated Company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any Associated Company, or

51 1 2 indemnify to any extent any person who is or was a Director of an Associated Company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company's activities as trustee of an occupational pension scheme

51 2 Companies are associated if one is a Subsidiary of the other or both are subsidiaries of the same body corporate

52 INSURANCE

Subject to the provisions of the Act, the Company may purchase and maintain insurance for any person who is or was a Director, or a Director of any Associated Company, against loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any Associated Company