

" A "

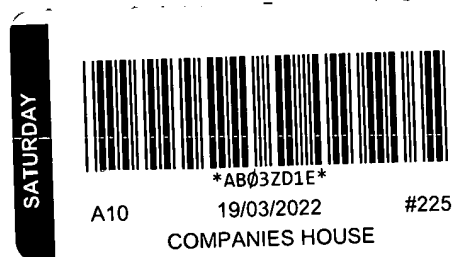


COMPANY NO. 00377361

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION OF B&CE HOLDINGS LIMITED



CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
London EC4N 6AF
T +44 20 7367 3000
cms.law

TABLE OF CONTENTS

PART 1 INTERPRETATION AND LIMITATION OF LIABILITY	1
1. Defined terms and interpretation	1
2. Not for Profit.....	3
3. Liability of members.....	4
PART 2 INDUSTRIAL PARTIES.....	4
4. Industrial Parties	4
PART 3 MEMBERS	6
5. Two classes of member.....	6
6. The number of members	6
7. Becoming a member	6
Founding Members	6
Associate Members.....	7
8. Ceasing to be a member	7
PART 4 DECISION-MAKING BY MEMBERS	8
ORGANISATION OF GENERAL MEETINGS	8
9. Attendance and speaking at general meetings	8
10. Quorum for general meetings	9
11. Chairing general meetings	9
12. Attendance and speaking by directors and non-members.....	9
13. Adjournment.....	9
VOTING AT GENERAL MEETINGS.....	10
14. Voting: general	10
15. Errors and disputes.....	10
16. Poll votes.....	10
17. Content of proxy notices.....	11
18. Delivery of proxy notices.....	12
19. Amendments to resolutions.....	12
PART 5 DIRECTORS.....	12
APPOINTMENT OF DIRECTORS	12
20. The Board of directors	12
21. Methods of appointing and removing directors	13
22. Termination of director's appointment	13
DIRECTORS' POWERS AND RESPONSIBILITIES.....	14
23. Directors' general authority	14
24. Members' reserve power.....	14
25. Special Powers of the Board	14
26. Directors may delegate	15
27. Committees	15
DECISION-MAKING BY DIRECTORS	15

28.	Directors to take decisions collectively	15
29.	Unanimous decisions	16
30.	Calling a directors' meeting	16
31.	Participation in directors' meetings	16
32.	Quorum for directors' meetings	17
33.	Chairing of directors' meetings	17
34.	Casting vote	18
35.	Directors' interests in transactions and voting	18
36.	Directors' situational conflicts of interest	18
37.	Records of decisions to be kept	20
38.	Directors' discretion to make further rules	20
39.	Directors' remuneration	20
40.	Directors' expenses	21
PART 6 ADMINISTRATIVE ARRANGEMENTS		21
41.	Means of communication to be used	21
42.	Information sent by the Company	22
43.	Company seals	22
44.	No right to inspect accounts and other records	22
45.	Provision for employees on cessation of business	23
46.	Secretary	23
DIRECTORS' INDEMNITY AND INSURANCE		23
47.	Indemnity	23
48.	Insurance	23

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE**

ARTICLES OF ASSOCIATION

OF

B&CE HOLDINGS LIMITED

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS AND INTERPRETATION

1.1 In the Articles, unless the context requires otherwise:

“**address**” has the meaning given in section 1148 of the Companies Act 2006;

“**Articles**” means the Company’s articles of association;

“**Associate Member**” has the meaning given in Article 5.1.2;

“**B&CE**” means the business of the provision of the B&CE Products and Services by the Company and its group undertakings;

“**B&CE Products and Services**” means the products and services which are provided, promoted or otherwise made available directly or indirectly by the Company or a subsidiary of the Company including, but not limited to, pension, death benefit, accident benefit and other savings, protection and financial welfare products;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

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

“**Building and Civil Engineering Benefits Scheme**” means the centralised industry-wide scheme for non-associated employers, the purpose of which is to secure relevant lump sum benefits under the Taxes Act for certain Operatives employed in the building and civil engineering industries;

“**chair**” has the meaning given in Article 11.3;

“**chair of the meeting**” has the meaning given in Article 11.3;

“**Charitable Trust**” means the Building and Civil Engineering Charitable Trust;

“**clear days**” in relation to a notice, excludes the day the notice is deemed under the Articles to be given and the day on which the specified period expires;

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

“**Company**” means B&CE Holdings Limited (company number 00377361);

“**CSBPs**” means the core social business principles of the Company, being:

- (a) the Company will be run on a not-for-profit basis, aligned to the core purpose of B&CE, for the benefit of its customers, structured as a company limited by guarantee;

- (b) the StratCo Board will include dedicated “founding director” seats;
- (c) the StratCo Board will consist of three core groups: (i) representatives of the Employer IPs in “founding director” seats; (ii) representatives of Operative IPs in “founding director” seats; and (iii) specialists (which will include senior executive directors);
- (d) no fundamental changes may be made to the operation of the Building and Civil Engineering Benefits Scheme;
- (e) no fundamental decisions may be made to the operation of the Charitable Trust;
- (f) no material changes or amendments may be made to the status or rights of the Founding Members under these Articles;
- (g) the Board need to approve (i) any disposal of a group undertaking or material disposal of a product or service offered by a group undertaking; (ii) the amalgamation or merging by a group undertaking with any other company or business undertaking outside of B&CE. The proceeds (if any) of any such transaction will be applied by StratCo;
- (h) if the entirety of the Company is sold, wound up or dissolved then the proceeds of the sale must be distributed to the Charitable Trust,

and any other core social business principles that are proposed by the Board from time to time and approved by the StratCo Board;

“**director**” means a director of the Company, and includes any person occupying the position of director, by whatever name called;

“**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;

“**electronic means**” has the meaning given in section 1168 of the Companies Act 2006;

“**eligible director**” has the meaning given in Article 29.3;

“**Employer IP**” means an Industrial Party representing employers in the construction industry;

“**Founding Member**” has the meaning given in Article 5.1.1;

“**group undertaking**” means a group undertaking (within the meaning of section 1161(5) of the Companies Act 2006) in relation to the Company;

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

“**Independent Chair**” has the meaning given in Article 33.1;

“**Industrial Party**” means a body or organisation which is for the time being recognised by the Board as an industrial party for the purposes of these Articles pursuant to Article 4;

“**instrument**” means a document in hard copy form;

“**member**” has the meaning given in section 112 of the Companies Act 2006, which for the avoidance of doubt shall include Founding Members and Associate Members;

“**Operative**” a person working (whether as an employee, as a self employed person or otherwise) in any capacity in the construction industry or in any other trade or industry and any person who is married to, or a civil partner of, or a child or other dependant of, such a person and, if the Board shall so determine, other family members of such a person;

“Operative IP” means an Industrial Party representing Operatives;
“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;
“proxy notice” has the meaning given in Article 17.1;
“RemCom” means the remuneration and nominations committee of StratCo;
“relevant officer” means any person who is or was at any time a director, secretary or other officer (except an auditor) of the Company or any group undertaking;
“special resolution” has the meaning given in section 283 of the Companies Act 2006;
“StratCo” means People’s Financial Services Limited (company number 10267951);
“StratCo Board” means the board of directors of StratCo from time to time;
“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;
“Taxes Act” means the Income and Corporation Taxes Act 1988, as amended from time to time; 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 None of the relevant model articles (within the meaning of section 20 of the Companies Act 2006) nor the regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 nor corresponding provisions of any earlier legislation shall apply as regulations of the Company.
- 1.3 Unless the context otherwise requires, other words or expressions contained in the Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the Company.
- 1.4 Except where the contrary is stated or the context otherwise requires, any reference in the Articles to a statute or statutory provision includes any order, regulation, instrument or other subordinate legislation made under it for the time being in force, and any reference to a statute, statutory provision, order, regulation, instrument or other subordinate legislation includes any amendment, extension, consolidation, re-enactment or replacement of it for the time being in force.
- 1.5 Words importing the singular number only include the plural and vice versa. Words importing the masculine, feminine or neuter gender include all other genders. Words importing persons include an individual, firm, partnership, body corporate, corporation, association, organisation, government, state, foundation or trust, in each case whether or not having separate legal personality.
- 1.6 The words “other”, “including”, “includes”, “include”, “in particular” and any similar words shall not limit the general effect of words that precede or follow them and the ejusdem generis rule shall not apply.

2. NOT FOR PROFIT

- 2.1 It is a CSBP that the Company shall not seek to trade for profit.
- 2.2 Accordingly no portion of the income and profits of the Company shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of the Company provided that nothing herein shall prevent:

- 2.2.1 a credit or payment as agreed for the purposes of any product or service within the B&CE Products and Services; or
 - 2.2.2 the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company or its group undertakings or other persons (whether members of the Company or not) in return for any services actually rendered to the Company nor prevent the payment of interest on money lent or reasonable and proper rent for premises demised or let by any member to the Company.
- 2.3 It is a CSBP that the Company shall be structured as a company limited by guarantee.
- 3. LIABILITY OF MEMBERS**
- 3.1 The liability of each member is limited to £1.00, being the amount that each member undertakes to contribute to the assets of the Company in the event of its being wound up while they are a member or within one year after they cease to be a member, for:
 - 3.1.1 payment of the Company's debts and liabilities contracted before they cease to be a member;
 - 3.1.2 payment of the costs, charges and expenses of winding up; and
 - 3.1.3 adjustment of the rights of the contributories among themselves.
- 3.2 It is a CSBP that if upon the sale, winding up or dissolution of the Company or all of its assets there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to the Charitable Trust. The Board shall provide a letter of recommendation to the trustees of the Charitable Trust recommending that in utilising these proceeds, the Charitable Trust shall give due consideration to the whole of the market that B&CE serves, in accordance with the rules of the Charitable Trust.
- 3.3 The rights and privileges of a member shall be personal to himself and not transferable or transmissible.

PART 2 INDUSTRIAL PARTIES

- 4. INDUSTRIAL PARTIES**
- 4.1 As at the date of adoption of these Articles, the Industrial Parties, which have the right to nominate Founding Members of the Company under Article 7.1 and to nominate directors of the Company under Article 21.1, are those bodies or organisations admitted or confirmed as admitted as an Industrial Party by resolution of the Board.
- 4.2 The composition of the Industrial Parties should maintain a balance between Operative IPs and Employer IPs such that they are equally represented. When such a balance is not maintained, the Founding Members (in consultation with the Board and the StratCo Board) shall promptly determine to redistribute (upwards or downwards) the voting powers of each Industrial Party so as to create such balance.
- 4.3 In exceptional circumstances the members, acting unanimously may determine that a body or organisation which represents Operatives or employers in the construction industry and whose members or Operatives of its members have the opportunity to benefit from, or offer access to, all or any of the B&CE Products and Services shall be an additional Industrial Party. In making

such a determination, the members (in consultation with the StratCo Board) shall ensure that the balance between Operative IPs and Employer IPs is maintained such that they are equal in accordance with Article 4.2.

- 4.4 An Industrial Party shall cease to be an Industrial Party if:
- 4.4.1 by notice in writing to the Company, it resigns as an Industrial Party;
 - 4.4.2 it is wound up or dissolved or otherwise ceases to exist (other than in circumstances where Articles 4.5 or 4.6 applies), in which case its rights under these Articles shall be transferred to the remaining Industrial Parties with the Board ensuring that the balance between Operative IPs and Employer IPs is maintained such that they are equal in accordance with Article 4.2. This process shall be subject to agreement by the Board and the StratCo Board and presented for final approval to Founding Members. Where the Board and the StratCo Board cannot reach agreement on the process then each may make a proposal to the Founding Members to vote on;
 - 4.4.3 it ceases, or its members or members' Operatives cease, to have the opportunity to benefit from, or offer access to, all or any of the B&CE Products and Services and the Board so determines that such body or organisation shall cease to be an Industrial Party; or
 - 4.4.4 it ceases to act as a body or organisation which represents Operatives or employers in the construction industry and the Board so determines that such body or organisation shall cease to be an Industrial Party.
- 4.5 Where an Industrial Party merges with another Industrial Party, the merged entity shall be treated as one Industrial Party (and not as two). The rights to nominate Founding Members of the Company under Article 7.1 and to nominate directors of the Company under Article 21.1 shall be adjusted to ensure that the balance between Operative IPs and Employer IPs is maintained such that they are equal in accordance with Article 4.2. This process shall be subject to agreement by the Board and the StratCo Board and presented for final approval to Founding Members. Where the Board and the StratCo Board cannot reach agreement on the process then each may make a proposal to the Founding Members to vote on.
- 4.6 Where an Industrial Party merges with another entity which is not an Industrial Party, the rights to nominate Founding Members of the Company under Article 7.1 and to nominate directors of the Company under Article 21.1 shall be inherited by the merged entity to ensure that the balance between Operative IPs and Employer IPs is maintained such that they are equal in accordance with Article 4.2. This process shall be subject to agreement by the Board and the StratCo Board and presented for final approval to Founding Members. Where the Board and the StratCo Board cannot reach agreement on the process then each may make a proposal to the Founding Members to vote on.

PART 3 MEMBERS

5. TWO CLASSES OF MEMBER

- 5.1 There shall be two classes of member:
- 5.1.1 Founding Members who shall be nominated by the Industrial Parties in accordance with Article 7.1. It is a CSBP that no material changes or amendments to the status or rights

of the Founding Members may be made without the approval of 75% or more of the directors; and

- 5.1.2 Associate Members who shall be nominated in accordance with Article 7.6. Associate Members shall have no voting or other rights in relation to any matters related to the CSBPs. Associate Members may act in their personal capacity or as representatives of an entity, body or group, and shall act as an additional advisory body available for consultation by the Board or the board of any group undertaking (including StratCo Board) if required in relation to decision making and expertise. The Founding Members may also choose to call on the expertise of the Associate Members if they wish to.

6. THE NUMBER OF MEMBERS

- 6.1 The number of Founding Members shall not exceed 20.
- 6.2 The maximum number of Associate Members allowed will be 20. This is subject always to the number of Associate Members never outnumbering the number of Founding Members, unless the Founding Members and the Board agree otherwise.

7. BECOMING A MEMBER

Founding Members

- 7.1 Subject to Article 7.2, each of the Industrial Parties shall be entitled to nominate individuals to be Founding Members of the Company, and to nominate another person in place of any Founding Member nominated by it whose membership is terminated or ceases for any reason.
- 7.2 The Board shall determine the maximum number of Founding Members which an Industrial Party may nominate and may from time to time (with the approval of the Founding Members and StratCo Board) amend such determination, having regard to the need to ensure that the aggregate number of Founding Members nominated by Operative IPs equals the aggregate number of Founding Members nominated by Employer IPs.
- 7.3 If owing to alterations in the Industrial Parties or the numbers of Founding Members nominated by any of them the composition of the Company's membership is, or would but for the provision of this Article, fail to achieve the balance of representation of employers and Operatives required under Article 7.2, the Board (in consultation with the Founding Members and StratCo Board) shall promptly determine to adjust (upwards or downwards) the number of Founding Members which each Industrial Party is entitled to nominate so as to restore such balance.
- 7.4 In the event that the Board determines, pursuant to Article 7.3, to adjust the number of Founding Members which an Industrial Party is entitled to nominate by reducing such number, the Industrial Party shall give notice of one or more of its appointed Founding Members whose appointment it wishes to terminate so as to reduce the number of its appointees to the appropriate number within 14 days of the date of the Board determination to make the reduction. If no such notice is received within this time period, the election shall be deemed to have been made by the Industrial Party to terminate the appointment of the appropriate number of Founding Members nominated by that Industrial Party on the basis of terminating the appointment(s) of the longest serving such Founding Members first.
- 7.5 A person may act as a Founding Member for an initial tenure of three years, followed by two further three-year terms. A Founding Member may subsequently serve for additional three year terms if there is a reasonable justification for each reappointment which is agreed by the Board.

An individual may act as a Founding Member and as a director, but may not act as a director in respect of any other group undertaking of the Company.

Associate Members

- 7.6 Each of the Board, the executive management team or the StratCo Board shall be entitled to request that an Associate Member be recruited where a need is identified. The RemCom shall have responsibility for identifying and recruiting a suitable individual to act as an Associate Member where such a need is identified and where RemCom considers the request appropriate.
- 7.7 Where the Board is notified of a proposal to appoint an Associate Member by the RemCom, the Board may object to the appointment or proposed candidate in writing to the RemCom and StratCo Board, stating their reasons.
- 7.8 A decision to appoint an Associate Member in accordance with Article 7.6 shall be ratified by a vote being passed at a general meeting of the Company by members holding 50 per cent or more of the voting rights in the Company provided that the votes in favour include votes from Founding Members holding 51 per cent or more of the voting rights attributed to the Founding Members.
- 7.9 A person may act as an Associate Member for an initial tenure of three years, followed by two further three-year terms. An individual who acts as an Associate Member cannot also be a director of the Company or of any other group undertaking of the Company but this shall not, for the avoidance of doubt, prevent that person acting as a trustee of any scheme or charity associated with the group nor being a director of Building and Civil Engineering Benefits Scheme Trustee Limited.

8. CEASING TO BE A MEMBER

- 8.1 Any member may withdraw from membership of the Company by giving notice to the Company in writing.
- 8.2 A person's membership terminates when:
 - 8.2.1 that person dies or ceases to exist;
 - 8.2.2 if that person were a director of a company, that person would cease to be a director by virtue of any provision of the Companies Act 2006 or be prohibited from being a director by law;
 - 8.2.3 a bankruptcy order is made against that person;
 - 8.2.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 8.2.5 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 member and may remain so for more than three months or if, 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;
 - 8.2.6 in the case of Founding Members, if such Industrial Party by which he was nominated ceases for any reason to be an Industrial Party; or
 - 8.2.7 they are otherwise duly removed from office.

- 8.3 A person's membership may be terminated by a decision of the majority of the StratCo Board where:
- 8.3.1 such member fails to participate in more than 50% of the AGMs, EGMs and member votes to which that member had a right to vote over a continuous 24-month period (whether held remotely or in person); or
- 8.3.2 the member is in breach of the members' code of conduct for the Company,
- provided that where the relevant person is a Founding Member, the approval of the Industrial Party that nominated the person is required before the termination is effective. The relevant Industrial Party shall nominate another person to act as Founding Member in place of the terminated member, in accordance with Article 7.1.
- 8.4 Where the relevant Industrial Party does not approve the termination of the person's membership under Article 8.3, the relevant Industrial Party shall notify the StratCo Board of its objection within 10 Business Days of being notified of the decision of StratCo Board. Where the relevant Industrial Party and the StratCo Board are unable to reach agreement on the issue within 20 Business Days, the dispute shall be referred to and finally determined by arbitration.

PART 4 DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

9. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 9.1 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.
- 9.2 A person is able to exercise the right to vote at a general meeting when:
- 9.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 9.2.2 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.
- 9.3 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.
- 9.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 9.5 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.

10. QUORUM FOR GENERAL MEETINGS

- 10.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The quorum for all purposes shall be four members present in person of whom two shall be Founding Members.

11. CHAIRING GENERAL MEETINGS

- 11.1 The Independent Chair shall preside as chair at every general meeting of the Company if present and willing to do so.
- 11.2 If there is no Independent Chair, or if at any meeting the Independent Chair is not present within ten minutes after the time appointed for holding the meeting, or is unwilling to act as chair, the members present shall appoint a director of the Company or, if no such director is present, or if all such directors present decline to take the chair, the members shall choose a member of the Company present to be chair.
- 11.3 The person chairing a meeting in accordance with this Article is referred to as “**the chair of the meeting**”.

12. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

- 12.1 Directors may attend and speak at general meetings, whether or not they are members.
- 12.2 The chair of the meeting may permit other persons who are not:
 - 12.2.1 members, or
 - 12.2.2 otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

13. ADJOURNMENT

- 13.1 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, if the meeting was convened by the members, the meeting shall be dissolved and, in any other case, the chair of the meeting must adjourn it. If at the adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, the members present shall constitute a quorum.
- 13.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
 - 13.2.1 the meeting consents to an adjournment, or
 - 13.2.2 it appears to the chair 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.
- 13.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 13.4 When adjourning a general meeting, the chair of the meeting must:
 - 13.4.1 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
 - 13.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 13.5 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 seven clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - 13.5.1 to the same persons to whom notice of the Company’s general meetings is required to be given, and

- 13.5.2 containing the same information which such notice is required to contain.
- 13.6 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

14. VOTING: GENERAL

- 14.1 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.
- 14.2 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting at which the show of hands takes place or at which the poll is demanded shall (if such chair of the meeting is the Independent Chair of the Board as hereinafter provided, but not otherwise) be entitled to a casting vote.

15. ERRORS AND DISPUTES

- 15.1 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.
- 15.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

16. POLL VOTES

- 16.1 A poll on a resolution may be demanded:
- 16.1.1 in advance of the general meeting where it is to be put to the vote, or
 - 16.1.2 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.
- 16.2 A poll on a resolution may be demanded by:
- 16.2.1 the chair of the meeting;
 - 16.2.2 the directors;
 - 16.2.3 at least three members of the Company present in person or by proxy and entitled to vote;
 - 16.2.4 any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote on the resolution.
- 16.3 A demand for a poll may be withdrawn if:
- 16.3.1 the poll has not yet been taken, and
 - 16.3.2 the chair of the meeting consents to the withdrawal.
- A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 16.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

17. CONTENT OF PROXY NOTICES

- 17.1 In exceptional circumstances, proxies may be validly appointed by a notice in writing (a “**proxy notice**”) which:
- 17.1.1 states the name and address of the member appointing the proxy;
 - 17.1.2 identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
 - 17.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine;
 - 17.1.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate; and
 - 17.1.5 is approved by the chair of the meeting.
- 17.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 17.3 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, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.
- 17.4 On a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and:
- 17.4.1 has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it, or
 - 17.4.2 has been instructed to vote the same way (either for or against) on the resolution by all of those members except those who have given the proxy discretion as to how to vote on the resolution,
- the proxy is entitled to one vote for and one vote against the resolution.
- 17.5 Unless a proxy notice indicates otherwise, it must be treated as:
- 17.5.1 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
 - 17.5.2 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.

18. DELIVERY OF PROXY NOTICES

- 18.1 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.

- 18.2 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.
- 18.3 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.
- 18.4 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.
- 19. AMENDMENTS TO RESOLUTIONS**
- 19.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 19.1.1 notice of the proposed amendment is given to the Company and to StratCo Board 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 chair of the meeting may determine), and
 - 19.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 19.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 19.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 19.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 19.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

PART 5 DIRECTORS

APPOINTMENT OF DIRECTORS

20. THE BOARD OF DIRECTORS

- 20.1 The Board shall consist of not more than 12 individuals who are nominated by the Industrial Parties pursuant to Article 21.1. and one individual who is appointed pursuant to Articles 33.1 and 33.2.
- 20.2 Subject to article 7.5, a person may act as a director for an initial tenure of three years, followed by unlimited further three-year terms, provided however that for a director to take on a fourth three-year term there should be a reasonable justification. An individual may act as a director of the Company and as a Founding Member, but may not act as a director in respect of any other group undertaking of the Company.

21. METHODS OF APPOINTING AND REMOVING DIRECTORS

- 21.1 Subject to Article 21.2, each of the Industrial Parties shall be entitled to nominate individuals to be directors of the Company and to nominate another person in place of any director nominated by it whose directorship is terminated or who ceases for any other reason to be a director. Any person who is willing to act as a director and has been nominated in accordance with this Article, and is permitted by law to do so, may be appointed to be a director by a decision of the Board.
- 21.2 The Board shall determine the maximum number of directors which an Industrial Party may nominate and from time to time may amend such determination, having regard to the need to ensure that the aggregate number of directors nominated by Operative IPs equals the aggregate number of directors nominated by Employer IPs.
- 21.3 If owing to alterations in the Industrial Parties or the numbers of directors nominated by any of them the number of directors fails, or would but for the provisions of this Article fail, to achieve the balance of representation required under Article 21.2, the Board (in consultation with the StratCo Board) shall promptly determine to adjust (upwards or downwards) the number of directors which each Industrial Party is entitled to nominate so as to restore such balance.

22. TERMINATION OF DIRECTOR'S APPOINTMENT

- 22.1 In the event that the Board determines, pursuant to Article 21.3, to adjust the number of directors which an Industrial Party is entitled to nominate by reducing such number, the Industrial Party shall give notice of one or more directors whose appointment it wishes to terminate so as to reduce the number of its appointees to the appropriate number within 14 days of the date of the Board resolution to make the reduction. If no such notice is received within this time period, the election shall be deemed to have been made by the Industrial Party to terminate the appointment of the appropriate number of its nominated directors on the basis of terminating the appointment(s) of the longest serving directors first.
- 22.2 A person ceases to be a director as soon as:
- 22.2.1 that person dies or ceases to exist;
 - 22.2.2 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
 - 22.2.3 a bankruptcy order is made against that person;
 - 22.2.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 22.2.5 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 or if, 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;
 - 22.2.6 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - 22.2.7 the Industrial Party by which he was appointed determines to terminate his nomination in writing to the Company and the director and nominate an alternative director in his place in writing to the Company;

- 22.2.8 the Industrial Party by which he was appointed ceases for any reason to be an Industrial Party; or
- 22.2.9 they are otherwise duly removed from office.

DIRECTORS' POWERS AND RESPONSIBILITIES

23. DIRECTORS' GENERAL AUTHORITY

- 23.1 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.

24. MEMBERS' RESERVE POWER

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

25. SPECIAL POWERS OF THE BOARD

- 25.1 Where an Article is described in these Articles as being a CSBP, the approval of at least 76% of directors of the Board shall be required for any proposal in relation to such CSBP, including amendment of the relevant Article in which the CSBP is described.
- 25.2 Subject to completion of the procedure set out at Article 25.3, the Board may terminate the appointment of all directors from their positions on the StratCo Board under the following scenarios:
 - 25.2.1 where StratCo Board sanctions a unilateral act which, in the opinion of the Board following receipt of independent advice, directly infringes the CSBPs;
 - 25.2.2 for a significant and repeated financial failure relative to forecast in the opinion of a senior accountant with experience of similar businesses to the B&CE business over two successive financial years; or
 - 25.2.3 for a serious and persistent failure to properly consider the Board's stated views over two successive financial years.
- 25.3 The procedure to be followed to exercise the removal power set out in Article 25.2 is as follows:
 - 25.3.1 the Board must seek relevant independent advice from a neutral third party unconnected to the business or the parties (which is to be provided at the Company's cost);
 - 25.3.2 following receipt of the independent advice, the Board shall raise its concerns to StratCo Board in writing with supporting rationale. StratCo Board will have 45 working days in which to respond to the Board, in which they will need to provide details of a remediation plan (if required) to address the concerns raised by the Board;
 - 25.3.3 if the Board's concerns remain unresolved or unsatisfactorily addressed, the Board, with 60% of directors' approval, may further raise the concern in writing, directly with the chair of the StratCo Board;
 - 25.3.4 If:
 - (a) the chair of the StratCo Board is supportive of the challenge, the StratCo Board will have 45 working days in which to respond in writing to the Board

with the details of a remediation plan (if required) to address the concerns raised; or

- (b) the chair of the StratCo Board is not supportive of the challenge, the Board, with the approval of 75% of the directors, can request an extraordinary meeting of the Company be arranged. The Board must raise their concerns in writing with supporting rationale to StratCo Board at least 45 working days before the extraordinary meeting is held. The StratCo Board shall prepare a response for discussion in the extraordinary meeting providing details of a remediation plan (if required) to address the concerns raised;

25.3.5 If the Board remain dissatisfied following the extraordinary meeting, the Board may pass a resolution to remove the StratCo Board with the approval of 75% or more of directors.

25.4 In the event that the StratCo Board is removed pursuant to Articles 25.2 and 25.3 then the Board may not commence another process for the removal of the StratCo Board pursuant to Articles 25.2 and 25.3 for the three years following the effective date of the StratCo Board's removal. Where a process pursuant to Articles 25.2 and 25.3 is commenced but does not result in the removal of the StratCo Board, the process may only be initiated again within a three year period on the basis of new facts or circumstances.

25.5 The Board may, with approval of 75% of directors vote to remove the chair of the StratCo Board.

25.6 It is a CSBP that approval of the Board shall be required for (i) any disposal of a group undertaking or material disposal of a product or service offered by a group undertaking; (ii) the amalgamation or merging by a group undertaking with any other company or business undertaking outside of B&CE, provided that such approval shall not be required where such disposal, amalgamation or merging is required by a regulatory authority . The proceeds (if any) of any such transaction will be applied by StratCo.

26. DIRECTORS MAY DELEGATE

Save for any decision, authority or power in respect of the CSBP, any decision, authority or power exercisable by the Board pursuant to any applicable law or these Articles may, and unless otherwise determined by the Board shall, be delegated to the board of directors of Stratco and, to the extent such powers and authorities have been so delegated the Board shall use all reasonable endeavours (to the extent legally permissible) to procure and implement any authority, recommendation, decision or power made by the board of directors of Stratco in accordance with the authority delegated pursuant to this Article 26 *provided always* that the Board (and each of the directors of the Board) shall not be required by this Article 26 to act in any way that would result in any of them being in breach of their respective fiduciary duties.

27. COMMITTEES

27.1 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.

27.2 A member of a committee need not be a director.

27.3 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

28. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 28.1 The general rule about decision-making by directors is that any decision of the directors must be by majority decision at a meeting or a decision taken in accordance with Article 29.

29. UNANIMOUS DECISIONS

- 29.1 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.
- 29.2 Such a decision may take the form of a resolution in writing signed by each eligible director (whether or not each signs the same document) or to which each eligible director has otherwise indicated agreement in writing.
- 29.3 References in the Articles 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 (but excluding any director whose vote is not to be counted in respect of that particular matter).
- 29.4 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.

30. CALLING A DIRECTORS’ MEETING

- 30.1 The Independent Chair or any three directors 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.
- 30.2 Notice of any directors’ meeting must indicate:
- 30.2.1 its proposed date and time;
 - 30.2.2 where it is to take place; and
 - 30.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 30.3 Notice of a directors’ meeting need not be in writing and must be given to each director although it shall not be necessary to give notice of a meeting of the Board to any director for the time being absent from the United Kingdom.
- 30.4 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 seven days before 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.

31. PARTICIPATION IN DIRECTORS’ MEETINGS

- 31.1 Subject to the Articles, directors participate in a directors’ meeting, or part of a directors’ meeting, when:
- 31.1.1 the meeting has been called and takes place in accordance with the Articles, and
 - 31.1.2 they can each communicate to the other directors who are participating any information or opinions they have on any particular item of the business of the meeting.
- 31.2 In determining whether directors are participating in a directors’ meeting, it is irrelevant where any director is or how they communicate with each other.

- 31.3 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.

32. QUORUM FOR DIRECTORS' MEETINGS

- 32.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 32.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is four directors of whom two shall have been nominated by Operative IPs and two by Employer IPs provided that:
- 32.2.1 if and so long as there is only one director nominated by Operative IPs or Employer IPs, the quorum shall be satisfied by the presence of that one director; and
- 32.2.2 for the purposes of any meeting held pursuant to Article 35 to authorise a director's conflict, if there is only one director besides the director concerned and directors with a similar interest, the quorum shall be one.
- 32.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 32.3.1 to appoint further directors (subject to the principle in Article 21.2 for the aggregate number of directors nominated by Operative IPs to equal the aggregate number of directors nominated by Employer IPs), or
- 32.3.2 to call a general meeting so as to enable the members to appoint further directors.

33. CHAIRING OF DIRECTORS' MEETINGS

- 33.1 A person of public standing wholly unconnected with any of the Industrial Parties and not being a member of the Company shall be appointed by the Board as a director and the chair of the Board (the "**Independent Chair**").
- 33.2 The Board shall on every occasion that a vacancy arises appoint a suitable person to fill the office of Independent Chair by appointing a qualified person to fill that office. If and as often as the office of Independent Chair shall have been vacant for a continuous period of six months, the President for the time being of the Institute of Chartered Accountants may upon the application of any three nominated members of the Board make the appointment, such appointment to be effected by writing under this hand left at the office and to take effect forthwith.
- 33.3 The continuing directors may act notwithstanding any vacancies in the Board but if and so long as there is no Independent Chair, the continuing directors may act for the purpose of filling up the vacancy in the office of Independent Chairman or of carrying on the commercial business of the Company, but not for any other purpose.
- 33.4 The Independent Chair shall *ex officio*, be chair of the Board and preside at all meetings at which the Independent Chair is present but if at any time there is no Independent Chair, or if at any meeting the Independent Chair is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chair of the meeting.

34. CASTING VOTE

- 34.1 If the numbers of votes validly cast for and against a proposal are equal, the chair (if such chair is the Independent Chairman but not otherwise) shall have a casting vote.

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

35. DIRECTORS' INTERESTS IN TRANSACTIONS AND VOTING

- 35.1 Without prejudice to such disclosure as is required under section 177 or section 182 of the Companies Act 2006, a director may be a party to, or otherwise interested in, any transaction or arrangement with the Company. Subject to the terms of any authorisation made under Article 36, no director shall:

- 35.1.1 by reason of their office be accountable to the Company for any benefit which they derive from any interest in any transaction or arrangement with the Company, and no such benefit shall constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such benefit;
- 35.1.2 be in breach of their duties as a director by reason only of their excluding themselves from the receipt of information, or from taking part in any decision-making or discussion (whether at meetings of the directors or otherwise), that will or may relate to any interest they may have in any such transaction or arrangement; or
- 35.1.3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by them in connection with any such transaction or arrangement if their doing so would result in a breach of a duty or an obligation of confidence owed by them in that connection.

- 35.2 The general rule is that a director shall be entitled for quorum and voting purposes to participate in the decision-making process on any resolution concerning a matter in which they have, directly or indirectly, an interest or duty that conflicts or may conflict with the interests of the Company, but this Article shall not absolve them of any duty they may have pursuant to section 175 of the Companies Act 2006 and is without prejudice to the operation of Article 36 and subject to the terms of any authorisation made under it.

- 35.3 Subject to Article 35.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair, whose ruling in relation to any director other than the chair is to be final and conclusive.

- 35.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

36. DIRECTORS' SITUATIONAL CONFLICTS OF INTEREST

- 36.1 Provided that they have duly disclosed the nature and extent of any material interest they have, a director may, notwithstanding their office or that, without the authorisation conferred by this Article 36.1, they would or might be in breach of their duty under section 175 of the Companies Act 2006 to avoid conflicts of interest:

- 36.1.1 be interested in shares or other securities issued by the Company or by any group undertaking, or by any other undertaking promoted by the Company or any group undertaking, or in which the Company or any group undertaking is otherwise interested;

- 36.1.2 be party to, or otherwise interested in, any transaction or arrangement with any group undertaking or any such other undertaking;
 - 36.1.3 be a director or other officer of, or employed by, or owe any duty to, any group undertaking or any such other undertaking; or
 - 36.1.4 otherwise be interested in any group undertaking or any such other undertaking.
- 36.2 No director shall:
- 36.2.1 by reason of their office be accountable to the Company for any benefit which they derive from any office or employment, or by virtue of any interest, participation or duty, that they are authorised under Article 36.1 to have (and no such benefit shall constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties, and no transaction or arrangement shall be liable to be avoided on the ground of any such benefit);
 - 36.2.2 be in breach of their duties as a director by reason only of their excluding themselves from the receipt of information, or from taking part in any decision-making or discussion (whether at meetings of the directors or otherwise), that will or may relate to any such office, employment, interest, participation or duty; or
 - 36.2.3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by them in connection with any such office, employment, interest, participation or duty if their doing so would result in a breach of a duty or an obligation of confidence owed by them in that connection.
- 36.3 The directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a director breaching their duty under section 175 of the Companies Act 2006 to avoid conflicts of interest, and any director (including the director concerned) may propose that the director concerned be authorised in relation to any matter the subject of such a conflict provided that:
- 36.3.1 such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of the Articles, except that the director concerned and any other director with a similar interest:
 - (a) shall not be counted for quorum purposes as taking part in the decision-making process while the conflict is under consideration;
 - (b) may, if the other directors so decide, be excluded from taking part in the decision-making process while the conflict is under consideration; and
 - (c) shall not vote on any resolution authorising the conflict except that, if any such director does vote, the resolution will still be valid if it would have been agreed to if their vote had not been counted; and
 - 36.3.2 where the directors give authority in relation to such a conflict:
 - (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the director concerned as they may determine, including the exclusion of the director from the receipt of information or participation in any decision-making or discussion (whether at meetings of the directors or otherwise) related to the matter giving rise to the conflict;

- (b) the director concerned will be obliged to comply with any terms imposed from time to time by the directors in relation to the conflict but will not be in breach of their duties as a director by reason of their doing so;
- (c) the authority may provide that, where the director concerned obtains (otherwise than by virtue of their position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- (d) the authority may also provide that the director concerned shall not be accountable to the Company for any benefit that they receive as a result of the matter giving rise to the conflict;
- (e) the receipt by the director concerned of any remuneration or benefit as a result of the matter giving rise to the conflict shall not constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties;
- (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (g) the directors may withdraw such authority at any time.

37. RECORDS OF DECISIONS TO BE KEPT

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

38. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

- 38.1 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.

39. DIRECTORS' REMUNERATION

- 39.1 Directors may undertake any services for the Company that the directors decide.
- 39.2 Directors are entitled to such remuneration as the RemCom may determine:
- 39.2.1 for their services to the Company as directors, and
 - 39.2.2 for any other service which they undertake for the Company.
- 39.3 Subject to the Articles, a director's remuneration may:
- 39.3.1 take any form, and
 - 39.3.2 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.
- 39.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

40. DIRECTORS' EXPENSES

- 40.1 The Company may pay any reasonable expenses which the directors (and any alternate directors or company secretary) properly incur in connection with their attendance at:
- 40.1.1 meetings of directors or committees of directors,

40.1.2 general meetings, or

40.1.3 separate meetings of the holders 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.

PART 6

ADMINISTRATIVE ARRANGEMENTS

41. MEANS OF COMMUNICATION TO BE USED

41.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

41.2 Except insofar as the Companies Acts require otherwise, the Company shall not be obliged to accept any notice, document or other information sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including for the purpose of authentication) as the directors think fit, and the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead.

41.3 In the case of a member that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of the Articles, execution by any director or the secretary of that corporation or any other person who appears to any officer of the Company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation.

41.4 A member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to them shall be entitled to have such things served on or delivered to them at that address (in the manner referred to above), but otherwise no such member shall be entitled to receive any notice, document or other information from the Company. If the address is that member's address for sending or receiving documents or information by electronic means the directors may at any time without prior notice (and whether or not the Company has previously sent or supplied any documents or information in electronic form to that address) refuse to send or supply any documents or information to that address.

41.5 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.

41.6 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 24 hours.

42. INFORMATION SENT BY THE COMPANY

42.1 Any document or information sent or supplied by the Company shall be deemed to (subject to Article 41.6) have been received by the intended recipient:

- 42.1.1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 42.1.2 where (without prejudice to Article 41.4) the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 42.1.3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was delivered;
- 42.1.4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Chartered Governance Institute shall be conclusive evidence that it was sent;
- 42.1.5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

43. COMPANY SEALS

- 43.1 Any common seal may only be used by the authority of the directors.
- 43.2 The directors may decide by what means and in what form any common seal is to be used.
- 43.3 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.
- 43.4 For the purposes of this Article, an authorised person is:
 - 43.4.1 any director of the Company;
 - 43.4.2 the company secretary (if any); or
 - 43.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

44. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

- 44.1 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 member.

45. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

- 45.1 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.

46. SECRETARY

- 46.1 Subject to the Companies Act 2006, the directors may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the directors may think fit; and any company secretary (or joint secretary) so appointed may be removed by the directors. The directors may also from time to time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries.

DIRECTORS' INDEMNITY AND INSURANCE

47. INDEMNITY

- 47.1 Subject to Article 47.2 (but without prejudice to any indemnity to which a relevant officer is otherwise entitled):

47.1.1 a relevant officer may be indemnified out of the Company's assets to whatever extent the directors may determine against:

- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any group undertaking;
- (b) any liability incurred by that officer in connection with the activities of the Company, or any group undertaking, in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);
- (c) any other liability incurred by that officer as an officer of the Company or of any group undertaking; and

47.1.2 the Company may, to whatever extent the directors may determine, provide funds to meet expenditure incurred or to be incurred by a relevant officer in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by the relevant officer in relation to the Company or any group undertaking, or any investigation, or action proposed to be taken, by a regulatory authority in that connection, or for the purposes of an application for relief, or in order to enable the relevant officer to avoid incurring such expenditure.

- 47.2 This Article does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

48. INSURANCE

- 48.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 48.2 In this Article, a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company,

any group undertaking or any pension fund or employees' share scheme of the Company or of any group undertaking.