

Company number: 03200469

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS**

of

**COSTCUTTER INTERNATIONAL LIMITED (Company)**

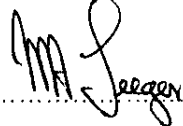
**Circulation Date:** 29 November 2019

In accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006 (**CA 2006**), the following resolution is proposed as a special resolution of the Company:

**SPECIAL RESOLUTION**

**THAT** the articles of association of the Company attached hereto be and are hereby adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing Articles.

The undersigned, being the sole member eligible to vote on the above resolution on the Circulation Date hereby irrevocably agrees to the resolutions.

  
.....

Director

For and on behalf of Costcutter Supermarkets Group Limited

Date: 29/11/2019



**NOTE:** The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to them by the end of the period of 28 days beginning with the circulation date set out above. If you agree to the resolutions please ensure that your agreement reaches us before that date.

## COSTCUTTER INTERNATIONAL LIMITED

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### ARTICLES OF ASSOCIATION

adopted 29 November 2019

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**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**COSTCUTTER INTERNATIONAL LIMITED (the Company)**

**1 Definitions and interpretation**

- 1.1 In these Articles the following words and expressions have the following meanings unless the context otherwise requires:

**"Act"**

the Companies Act 2006;

**"Adoption Date"**

the date of the adoption of these Articles by the Company;

**"BLG"**

Bibby Line Group Limited, a company registered in England and Wales with company number 00034121, whose registered office is at 105 Duke Street, Liverpool, L1 5JQ;

**"BLG Board"**

the board of directors of BLG;

**"BLG Majority"**

not less than 75% of the BLG Board at the time at which any BLG Reserved Matter is considered by the BLG Board;

**"BLG Reserved Matters"**

the list of certain reserved matters as approved by the BLG Board from time to time;

**"Business Day"**

a day other than a Saturday or Sunday or public holiday in England;

**"CSHL"**

Costcutter Supermarkets Holdings Limited, a company registered in England and Wales with company number 05625016, whose registered office is at 105 Duke Street, Liverpool, L1 5JQ;

**"CSHL Board"**

the board of directors of CSHL;

**"CSHL Majority"**

not less than 75% of the CSHL Board at the time at which any CSHL Reserved Matter is considered by the CSHL Board;

**"CSHL Nominated Director"**

a director of CSHL who is also a director of BLG;

**"CSHL Reserved Matters"**

the list of certain reserved matters as approved by the CSHL Board from time to time;

**"Director"**

a duly appointed director of the Company from time to time, which term shall include executive and non-executive directors;

**"Eligible Director"**

a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to "eligible directors" in article 8 of the Model Articles shall be construed accordingly;

**"Group"**

the Company, its subsidiary undertakings and its parent undertakings and any subsidiary undertakings of such parent undertakings from time to time and references to a **"Group Company"** shall be construed accordingly;

**"Member"**

a registered holder of an issued Share from time to time, as recorded in the register of members of the Company;

**"Member Majority"**

the holder(s) of more than 50% of the Shares in issue from time to time;

**"Model Articles"**

the model articles for private companies limited by shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date, a copy of which is appended to these Articles;

**"Share"**

any share of any class in the capital of the Company.

- 1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the articles of association of the Company.

- 1.3 In these Articles a reference to:

- 1.3.1 a "subsidiary undertaking" is to be construed in accordance with section 1162 of the Act and a "subsidiary" or "holding company" is to be construed in accordance with section 1159 of the Act;
- 1.3.2 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the date of these Articles and any subordinate legislation made under the statutory provision before or after the date of these Articles;
- 1.3.3 a person includes a reference to an *individual, body corporate, association, government, state, agency of state or any undertaking* (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- 1.3.4 **"these Articles"** is to these articles of association (including the provisions of the Model Articles incorporated therein), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the *terms of these Articles and the Act; and*
- 1.3.5 any agreement or document is to that agreement or document as in force for the time being and as amended from time to time in accordance with the terms of that agreement or document or with the agreement of all the relevant parties.

- 1.4 All consents or approvals to be given by a Member Majority in respect of any provision of these Articles must be given in writing.

- 1.5 The contents table and headings in these Articles are for convenience only and do not affect their interpretation.
- 1.6 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.7 Any question as to whether a person is "connected with" another shall be determined in accordance with section 839 Income and Corporation Taxes Act 1988 (except that in construing section 839 "control" has the meaning given by section 840 or section 416 of that act so that there is control whenever section 840 or 416 requires) which shall apply in relation to this agreement as it applies in relation to that act.
- 1.8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to any rights under these Articles.

## **2 Transfer of Shares**

- 2.1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt or trustee in bankruptcy.
- 2.2 The Directors may only refuse to register a transfer of Shares if:
  - 2.2.1 the transfer has not been lodged at the Company's registered office (or such other place as the Directors may nominate for this purpose);
  - 2.2.2 the transfer is not accompanied by the certificate for the Shares to which it relates and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer;
  - 2.2.3 the transfer is in favour of more than four transferees; or
  - 2.2.4 the transfer has not been properly stamped or certified as being not liable to stamp duty.

In all other cases, the Directors must register such a transfer of Shares. Article 26(5) of the Model Articles shall not apply to the Company.

- 2.3 For the purposes of ensuring that a transfer of any Share is in accordance with these Articles, the Directors may from time to time require any Member to provide, or to procure that any person named as the transferee in any transfer lodged for registration provides, such information and evidence as the Directors may reasonably require for such purpose. Pending such information or evidence being provided, the Directors are entitled to refuse to register any relevant transfer of Shares.
- 2.4 Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such transfer:-
  - (i) is to any bank or institution or any other person to which such shares have been charged by way of security, or to any nominee of such a bank or institution (a "**Secured Institution**"); or
  - (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
  - (iii) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and the directors shall forthwith register any such transfer of shares upon receipt. Furthermore, notwithstanding anything to the contrary contained in these Articles, no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall be required to provide any prior written notice to the Company or to offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not.

- 2.5 The Company shall have no lien on any shares which have been charged by way of security to a Secured Institution and the provisions of the Articles relating to liens over shares shall not apply in respect of any such shares.
- 2.6 Any pre-emption rights contained in these Articles shall not apply in relation to any shares which have been charged by way of security to a Secured Institution by any shareholder of the Company from time to time.

### **3 Purchase Of Own Shares – De Minimis Exemption**

- 3.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
  - 3.1.1 £15,000; and
  - 3.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

### **4 General meetings**

- 4.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Where the Company has only one Member, then one Member present either in person, by proxy or by a duly appointed corporate representative shall be a quorum. Where the Company has only two or more Members, then two Members present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.
- 4.2 Article 39 of the Model Articles shall not apply to the Company.
- 4.3 A poll may be demanded at any general meeting by:
  - 4.3.1 the chairman; or
  - 4.3.2 by any Member present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.

Article 44(2) of the Model Articles shall not apply to the Company.

- 4.4 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that article: "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made."
- 4.5 Article 45(1) of the Model Articles shall be amended as follows:
  - 4.5.1 by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following: "is delivered to the Company in accordance with the articles not less

than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate."; and

- 4.5.2 by the insertion of the following as a new paragraph at the end of Article 45(1): "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting.".

## **5 Appointment and removal of Directors**

- 5.1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors shall not be less than two and is not subject to any maximum.
- 5.2 Subject to article 4.4, the office of a Director shall automatically be vacated, and the Director in question shall be deemed to have resigned, and Article 18 of the Model Articles shall be extended accordingly, upon:
- 5.2.1 his ceasing for any reason whatsoever to be employed by the Company or any other Group Company; or
- 5.2.2 a Member Majority or all the other Directors requesting his resignation by notice in writing and such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Members or Directors) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors for this purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.
- 5.3 On the vacation of or deemed resignation from the office of director as set out above (however arising), the Director in question shall resign immediately without compensation from any office or trusteeship that he holds in or on behalf of the Company and/or any Group Company.
- 5.4 A Member Majority may, from time to time appoint people to be directors of the Company and, from time to time, remove any such person appointed by them.
- 5.5 Any appointment or removal pursuant to articles 5.2 or 5.3 shall be made by notice in writing to the Company. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Members) must be left at or sent by post to the registered office of the Company and the appointment or removal (as the case may be) shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.
- 5.6 In any case where, as a result of death or bankruptcy, the Company has no Members and no Directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 27(3) of the Model Articles shall be modified accordingly.

## **6 Proceedings of Directors**

- 6.1 Save where the Company has a sole Director, two Eligible Directors, present in person, shall be a quorum. For the purpose of any meeting held to authorise a director's conflict of interest under article 11 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company.



- 6.2 If the number of votes for and against a proposal at a Directors' meeting are equal the chairman or other Director chairing the meeting shall have a casting vote, provided that the chairman or such other Director shall not have a casting vote if he is not an Eligible Director for the purposes of the relevant directors' decision. Article 13 of the Model Articles shall not apply to the Company.
- 6.3 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers (or revoke or alter the terms and conditions of any such delegation) to a person or committee with the prior consent of a Member Majority. Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may": "with the consent of a Member Majority".
- 6.4 Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may": "with the consent of a Member Majority".

## **7 Unanimous Directors' decisions to be in writing**

- 7.1 Decisions of the Directors may be taken either:
- 7.1.1 by a majority at a board meeting; or
- 7.1.2 by a directors' written resolution made in accordance with articles 7.2 and 7.3.

Articles 7(1) and 8 of the Model Articles shall not apply to the Company.

- 7.2 Any Director may propose a directors' written resolution and the company secretary must propose a directors' written resolution if a Director so requests. A directors' written resolution is proposed by notice in writing of the proposed directors' written resolution being given to each Director indicating the proposed resolution and the time by which it is proposed that the Directors should adopt it. Any person who has been given notice of a directors' proposed written resolution must, in coming to a decision regarding the adoption of that resolution, act reasonably and in good faith.
- 7.3 A proposed directors' written resolution is adopted when all the Eligible Directors in relation to the resolution(s) contained in the proposed directors' written resolution have signed one or more copies of it, provided that those Eligible Directors would have formed a quorum at a meeting of the Directors to consider such resolution(s). It is immaterial whether a Director signs the resolution before or after the time by which the notice proposed that it should be adopted.

## **8 Reserved Matters**

- 8.1 Notwithstanding any other provision of these Articles:
- 8.1.1 no decision or action shall be taken in relation to any of the BLG Reserved Matters without the prior written consent of a BLG Majority; and
- 8.1.2 no decision or action shall be taken in relation to any of the CSHL Reserved Matters without the prior written consent of a CSHL Majority, provided always that at least one CSHL Nominated Director has voted in favour of such CSHL Reserved Matter.

## **9 Execution of documents**

- 9.1 A document is executed by the Company:
- 9.1.1 by the affixing of its common seal in the presence of two directors or a director and the company secretary who place their signatures next to the common seal; or

9.1.2 by signature in accordance with the following provisions.

9.2 A document is validly executed by the Company if it is signed on behalf of the Company:

9.2.1 by two authorised signatories (one of which must be a Director); or

9.2.2 by a Director in the presence of a witness who attests the signature.

9.3 The following are "authorised signatories" for the purposes of article 9.2:

9.3.1 every Director; and

9.3.2 the secretary (or any joint secretary) of the Company.

9.4 A document signed in accordance with article 9.2 and expressed, in whatever words, to be executed by the Company has the same effect as if executed under the common seal of the Company.

## **10 Transactions or other arrangements with the Company**

10.1 Subject to sections 177 and 182 of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

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

10.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested;

10.1.3 shall count in the quorum and shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested;

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

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

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

10.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

## **11 Directors' conflicts of interest**

- 11.1 Subject in each case to the consent of a Member Majority and article 11.8 below, the Directors may, in accordance with the requirements set out in this article 10, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**").
- 11.2 Any authorisation under this article will be effective only if:
- 11.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
  - 11.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
  - 11.2.3 the matter was agreed to without the Director in question or would have been agreed to if his vote had not been counted.
- 11.3 Any authorisation of a Conflict under this article 11 may (whether at the time of giving the authorisation or subsequently):
- 11.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - 11.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
  - 11.3.3 be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 11.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 11.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
  - 11.4.2 use or apply any such information in performing his duties as a Director,
- where to do so would amount to a breach of that confidence.
- 11.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:
- 11.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
  - 11.5.2 is not given any documents or other information relating to the Conflict; and
  - 11.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 11.6 Where the Directors authorise a Conflict:

- 11.6.1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
- 11.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

11.7 A Director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

11.8 A director does not require authorisation by the directors under articles 11.1 to 11.6 above in respect of any actual or potential conflict which may reasonably be expected to arise by reason only of that director also being a director of another Group Company. A director is not to be regarded as infringing his duty under section 175 of the Act as a result of the lack of such authorisation.

## 12 **Secretary**

The Directors may appoint any person who is willing to act as the Secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.

## 13 **Service of Documents**

13.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

- 13.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- 13.1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- 13.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 13.1.4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 13.1.5 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.

For the purposes of this article 13.1, no account shall be taken of any part of a day that is not a working day.

13.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

## 14 **Indemnity**

14.1 Subject to article 14.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

14.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the activities of the Company (or any Group Company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any Group Company); and

14.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 14.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

14.2 This article 14 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

In this article 14 and in article 15 a "**relevant officer**" means any director or other officer or former director or other officer of the Company or any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

14.3 Article 52 of the Model Articles shall not apply to the Company.

## 15 **Insurance**

15.1 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 loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any Group Company or any pension fund or employees' share scheme of the Company or Group Company.

15.2 Article 53 of the Model Articles shall not apply to the Company.

## 16 **Change of name**

Subject to the consent of a Member Majority the name of the Company may be changed by a decision of the Directors.

## Appendix

### **MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES**

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#### **PART 1 INTERPRETATION AND LIMITATION OF LIABILITY**

#### **Defined terms**

**1.** In the articles, unless the context requires otherwise—"articles" means the company's articles of association; "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; "chairman" has the meaning given in article 12; "chairman of the meeting" has the meaning given in article 39; "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company; "director" means a director of the company, and includes any person occupying the position of director, by whatever name called; "distribution recipient" has the meaning given in article 31; "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; "fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company; "hard copy form" has the meaning given in section 1168 of the Companies Act 2006; "holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares; "instrument" means a document in hard copy form; "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006; "paid" means paid or credited as paid; "participate", in relation to a directors' meeting, has the meaning given in article 10; "proxy notice" has the meaning given in article 45; "shareholder" means a person who is the holder of a share; "shares" means shares in the company; "special resolution" has the meaning given in section 283 of the Companies Act 2006; "subsidiary" has the meaning given in section 1159 of the Companies Act 2006; "transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or

supplied in electronic form or otherwise.

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

#### **Liability of members**

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

## **PART 2 DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **Directors' general authority**

3. 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.

#### **Shareholders' reserve power**

4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### **Directors may delegate**

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

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

(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.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### **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.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

### **DECISION-MAKING BY DIRECTORS**

#### **Directors to take decisions collectively**

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

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

#### **Unanimous decisions**

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

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

(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.

(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.

#### **Calling a directors' meeting**

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

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

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

#### **Participation in directors' meetings**

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(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.

(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.

#### **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.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

(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—

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

#### **Chairing of directors' meetings**

12.—(1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### **Casting vote**

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

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

#### **Conflicts of interest**

14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as

participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any *directors' meeting or part of a directors' meeting*.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

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

#### **Records of decisions to be kept**

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

#### **Directors' discretion to make further rules**

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

#### **APPOINTMENT OF DIRECTORS**

##### **Methods of appointing directors**

**17.—**(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

(a) by ordinary resolution, or

(b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain *who was the last to die, a younger shareholder is deemed*

to have survived an older shareholder.

#### **Termination of director's appointment**

**18.** A person ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) 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;

~~(e) 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;<sup>a</sup>~~

(f) 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.

#### **Directors' remuneration**

**19.—**(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

(a) take any form, and

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

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(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.

#### **Directors' expenses**

**20.** The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

### **PART 3**

### **SHARES AND DISTRIBUTIONS**

#### **SHARES**

##### **All shares to be fully paid up**

**21.—**(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

##### **Powers to issue different classes of share**

**22.—**(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.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of

<sup>a</sup> Removed by the Mental Health (Discrimination) Act 2013



the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

#### **Company not bound by less than absolute interests**

**23.** 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.

#### **Share certificates**

**24.—**(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

#### **Replacement share certificates**

**25.—**(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
  - (b) said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

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

#### **Share transfers**

**26.—**(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.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(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.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

#### **Transmission of shares**

**27.—**(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the

holder had.

(3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

#### **Exercise of transmittees' rights**

**28.—**(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### **Transmittees bound by prior notices**

**29.** If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

#### **DIVIDENDS AND OTHER DISTRIBUTIONS**

##### **Procedure for declaring dividends**

**30.—**(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(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.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(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.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

##### **Payment of dividends and other distributions**

**31.—**(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

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

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

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

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

(2) In the articles, "the distribution recipient" means, in

respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### **No interest on distributions**

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

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

#### **Unclaimed distributions**

**33.—**(1) All dividends or other sums which are—

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

(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.

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - (b) the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

#### **Non-cash distributions**

**34.—**(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).

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

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

#### **Waiver of distributions**

**35.** Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
  - (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,
- the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

#### CAPITALISATION OF PROFITS

#### **Authority to capitalise and appropriation of capitalised sums**

**36.—**(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

(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.

(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.

(5) Subject to the articles the directors may—

- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

### **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### ORGANISATION OF GENERAL MEETINGS

#### **Attendance and speaking at general meetings**

**37.—**(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.

(2) A person is able to exercise the right to vote at a general meeting when—

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(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.

(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.

(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.

#### **Quorum for general meetings**

**38.** 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.

#### **Chairing general meetings**

**39.—**(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

- (a) the directors present, or
  - (b) (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(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**

**40.**—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

### **Adjournment**

**41.**—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

(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**

#### **Voting: general**

**42.** 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.

#### **Errors and disputes**

**43.**—(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.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

#### **Poll votes**

**44.**—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### **Content of proxy notices**

**45.**—(1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(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.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **Delivery of proxy notices**

**46.**—(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.

(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.

(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.

(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.

### **Amendments to resolutions**

**47.**—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(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.

## **PART 5 ADMINISTRATIVE ARRANGEMENTS**

### **Means of communication to be used**

**48.**—(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.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(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.

### **Company seals**

**49.**—(1) Any common seal may only be used by the authority of the directors.

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

(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.

(4) For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

### **No right to inspect accounts and other records**

**50.** 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.

### **Provision for employees on cessation of business**

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

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **Indemnity**

**52.**—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

(b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

(c) any other liability incurred by that director as an officer of the company or an associated company.

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

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant director" means any director or former director of the company or an associated company.

#### **Insurance**

**53.**—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a "relevant director" means any director or former director of the company or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

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