

Company number: 03908537

**PRIVATE LIMITED COMPANY**

**WRITTEN RESOLUTIONS**

**of**

**AMTRUST UNDERWRITING LIMITED**

**(the “Company”)**

(circulated on 6<sup>th</sup> June 2019 (the “Circulation Date”))

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolution (“Special Resolutions”) by the sole shareholder of the Company.

**SPECIAL RESOLUTIONS**

THAT the 2 B ordinary shares of £1.00 each in the capital of the Company be re-designated as 2 ordinary shares of £1.00 each in the capital of the Company.

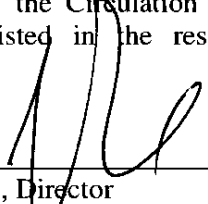
THAT new articles of association, in the form of the annexed draft, be adopted in substitution for and to the exclusion of the Company’s existing articles of association.



## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Special Resolution.

The undersigned, being the sole member of the Company entitled to vote on the above resolution on the Circulation Date and having been supplied with a copy of the documents listed in the resolution, hereby irrevocably agrees to the Special Resolution:

Signed by   
Jeremy Cadle, Director  
for and on behalf of  
**AmTrust Syndicate Holdings Limited**

Date 6<sup>th</sup> June 2019

## NOTES

1. If you do not agree to the resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.
2. Once you have indicated your agreement to the resolution, you may not revoke your agreement.
3. The resolution will lapse if not passed by the date that is 28 days after the Circulation Date. If you agree to the resolution, please ensure that your agreement reaches us before or during this date.
4. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**- OF -**

**AMTRUST UNDERWRITING LIMITED**

**Company number 3908537**

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## **PART 1**

### **INTERPRETATION AND LIMITATION OF LIABILITY**

#### **1 Defined terms**

##### **1.1 In the articles, unless the context requires otherwise:**

“the Act” means the Companies Act 2006;

“articles” means these 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 13;

“chairman of the meeting” has the meaning given in article 43;

“clear days” in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting,

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

“Conflict Situation” means a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest;

“Controlling Shareholder” means the registered holder for the time being of more than one half in nominal value of the issued ordinary share capital of the company including (for the avoidance of doubt) any member holding all of the issued ordinary share capital of 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 35;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Act;

“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 Act;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“Group” the company and each of its Group Companies from time to time;

“Group Company” in relation to any company, anybody corporate which is from time to time a holding company of that company, a subsidiary of that company or a subsidiary of a holding company of that company;

“instrument” means a document in hard copy form;

“member” means a person who is the holder of a share;

“Nominee” any person holding shares in the company as nominee or otherwise on trust for the Controlling Shareholder;

“ordinary resolution” has the meaning given in section 282 of the Act;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 11;

“proxy notice” has the meaning given in article 49;

“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 Act;

“subsidiary” has the meaning given in section 1159 of the Act;



“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.

1.2 In these articles, save in article 1.1 or as expressly provided otherwise in these articles:

1.2.1 any reference to any statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, whether before or after the date of adoption of these articles,

1.2.2 any reference to any legislation including to any statute, statutory provision or subordinate legislation (“Legislation”) includes a reference to that Legislation as from time to time amended or re-enacted, whether before or after the date of adoption of these articles,

1.2.3 any reference to re-enactment includes consolidation and rewriting, in each case whether with or without modification.

## **2 Liability of members**

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

## **PART 2**

### **COMPANY NAME AND DIRECTORS**

#### **COMPANY NAME**

### **3 Company name**

3.1 The name of the company may be changed by:

3.1.1 special resolution of the members,

3.1.2 a decision of the directors,

or otherwise in accordance with the Act.

## **DIRECTORS' POWERS AND RESPONSIBILITIES**

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

Subject to these 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.

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

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

### **6 Directors may delegate**

- 6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
  - 6.1.1 to such person or committee;
  - 6.1.2 by such means (including by power of attorney);
  - 6.1.3 to such an extent;
  - 6.1.4 in relation to such matters or territories; and
  - 6.1.5 on such terms and conditions;

as they think fit.

- 6.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 6.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

### **7 Committees**

- 7.1 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.
- 7.2 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**

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

- 8.1 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 9.

8.2 If:

8.2.1 the company only has one director, and

8.2.2 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 including, for the avoidance of doubt, article 12.

**9 Unanimous decisions**

9.1 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.

9.2 Such a decision may take the form of a resolution in writing, of which each eligible director has signed one or more copies or to which each eligible director has otherwise indicated agreement in writing.

9.3 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 (but exclude in respect of the authorisation of a Conflict Situation, the director subject to that Conflict Situation).

9.4 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.

**10 Calling a directors' meeting**

10.1 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.

10.2 Notice of any directors' meeting must indicate:

10.2.1 its proposed date and time;

10.2.2 where it is to take place; and

10.2.3 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.

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

10.4 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.

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

- 11.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
  - 11.1.1 the meeting has been called and takes place in accordance with the articles, and
  - 11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 11.3 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.

## **12 Quorum for directors' meetings**

- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but, save as set out in article 12.3, it must never be less than two, and unless otherwise fixed it is two.
- 12.3 For the purposes of any directors' meeting (or part of a meeting) at which it is proposed to authorise a Conflict Situation in respect of one or more directors, if there is only one director in office other than the director or directors subject to the Conflict Situation, the quorum for such meeting (or part of a meeting) shall be one director.
- 12.4 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:
  - 12.4.1 to appoint further directors, or
  - 12.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

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

- 13.1 The directors may appoint a director to chair their meetings.
- 13.2 The person so appointed for the time being is known as the chairman.
- 13.3 The directors may terminate the chairman's appointment at any time.
- 13.4 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.

## **14 Casting vote**

- 14.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

- 14.2 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.

#### **15 Directors voting and counting in the quorum**

- 15.1 Save as otherwise specified in these articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of section 175(4)(b) of the Act, a director may vote on, and be counted in the quorum in relation to any resolution relating to a matter in which he has, or can have:

- 15.1.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the company, and
- 15.1.2 a conflict of interest arising in relation to an existing or a proposed transaction or arrangement with the company.

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

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

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

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**

#### **18 Appointing and removing directors**

The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a director or directors of the company. Any such appointment shall be effected by notice in writing to the company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any director (whether or not appointed by it pursuant to this article).

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

- 19.1 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:
- 19.1.1 by ordinary resolution, or
  - 19.1.2 by a decision of the directors.

- 19.2 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.
- 19.3 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.

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

- 20.1 A person ceases to be a director as soon as:
- 20.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
  - 20.1.2 a bankruptcy order is made against that person;
  - 20.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 20.1.4 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;
  - 20.1.5 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.
- 20.2 A person also ceases to be a director if he is removed from office pursuant to article 18 of these articles.

## **21 Directors' remuneration and other benefits**

- 21.1 A director may undertake any services for the company that the directors decide.
- 21.2 A director is entitled to such remuneration as the directors decide (i) for his services to the company as director, and (ii) for any other service which he undertakes for the company.
- 21.3 Subject to the articles, a director's remuneration may (i) take any form, and (ii) 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.
- 21.4 Unless the directors decide otherwise, a director's remuneration accrues from day to day.
- 21.5 Unless the directors decide otherwise, no director is accountable to the company for any remuneration or other benefit which he receives as a director or other officer or employee of any of the company's subsidiary undertakings or of any parent undertaking of the company from time to time or of any other

body corporate in which the company or any such parent undertaking is interested.

## **22 Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

22.1.1 meetings of directors or committees of directors,

22.1.2 general meetings, or

22.1.3 separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

## **PART 3**

### **SHARES AND DISTRIBUTIONS**

#### **SHARES**

## **23 Share capital**

The share capital of the company at the date of adoption of these articles comprises 102 ordinary shares of £1.00 each.

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

24.1 No share is to be issued other than fully paid.

24.2 Article 24.1 does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

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

25.1 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.

25.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder.

## **26 Issue of new shares**

26.1 The company has the power to allot and issue shares in the capital of the company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the company pursuant to those rights.

26.2 The directors may only exercise the power of the company to allot and issue shares or to grant rights to subscribe for, or to convert any security into, shares, in order to allot or issue shares to the Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing. The powers of the directors pursuant to section 550 of the Act shall be limited accordingly.

26.3 The provisions of sections 561 and 562 of the Act shall not apply to the company.

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

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

## **28 Share certificates**

28.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

28.2 Every certificate must specify:

28.2.1 in respect of how many shares, of what class, it is issued;

28.2.2 the nominal value of those shares;

28.2.3 that the shares are fully paid; and

28.2.4 any distinguishing numbers assigned to them.

28.3 No certificate may be issued in respect of shares of more than one class.

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

28.5 Certificates must:

28.5.1 have affixed to them the company's common seal, or

28.5.2 be otherwise executed in accordance with the Companies Acts.

## **29 Replacement share certificates**

29.1 If a certificate issued in respect of a shareholder's shares is:

29.1.1 damaged or defaced, or

29.1.2 said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

29.2 A shareholder exercising the right to be issued with such a replacement certificate:



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

### **30 Share transfers**

- 30.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 30.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 30.3 The company may retain any instrument of transfer which is registered.
- 30.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 30.5 The directors shall register any transfer of shares made to or by, or with the express written consent of, the Controlling Shareholder, or made pursuant to article 30.7 or article 30.8.
- 30.6 Subject to article 30.5, the directors may, in their absolute discretion, refuse to register the transfer of any 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.
- 30.7 The Controlling Shareholder may at any time by notice given to the Nominee at the registered address of the Nominee shown in the register of members of the Company require the Nominee to transfer all or any shares registered in his name to the Controlling Shareholder or any other person specified in the notice for no consideration. If the Nominee shall fail within 48 hours after service of the notice to transfer the shares in question, the directors may authorise any person to execute on behalf of and as attorney or agent for the Nominee any necessary instrument of transfer and shall cause the name of the transferee to be entered in the register as the holder of the shares in question. After the name of the transferee has been entered in the register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.
- 30.8 Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend such registration, where such transfer:
  - 30.8.1 is to any Secured Party (as defined below), or

- 30.8.2 is delivered to the Company for registration by a Secured Party in order to perfect its security over the shares, or
- 30.8.3 is executed by a Secured Party pursuant to the power of sale or otherwise under such security,

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

- 30.9 For the purposes of this Article, “**Secured Party**” means any bank or financial institution to which a security interest has been granted over the shares in the Company, or any nominee, receiver or other entity acting on its behalf.

### **31 Transmission of shares**

- 31.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 31.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
  - 31.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - 31.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 31.3 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.

### **32 Exercise of transmittees’ rights**

- 32.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 32.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 32.3 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.

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

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**

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

- 34.1 Except as otherwise provided by the rights attached to any shares from time to time, all dividends shall be paid to the holders of shares in proportion to the numbers of shares on which the dividend is paid held by them respectively, but if any share is issued on terms that it shall rank for dividend as from a particular date, or *pari passu* as regards dividends with a share already issued, that share shall rank for dividend accordingly.
- 34.2 Subject to article 23 of these articles, the company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 34.3 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.
- 34.4 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 34.5 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the rights attached to shares, 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.
- 34.6 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.
- 34.7 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.
- 34.8 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.

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

- 35.1 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:

- 35.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 35.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 35.1.3 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
  - 35.1.4 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.
- 35.2 In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- 35.2.1 the holder of the share; or
  - 35.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 35.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

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

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

- 36.1.1 the rights attached to the share, or
- 36.1.2 the provisions of another agreement between the holder of that share and the company.

### **37 Unclaimed distributions**

37.1 All dividends or other sums which are:

- 37.1.1 payable in respect of shares, and
- 37.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

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

37.3 If:

37.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

37.3.2 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.

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

38.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, and subject to article 23 of these articles, 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).

38.2 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:

38.2.1 fixing the value of any assets;

38.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

38.2.3 vesting any assets in trustees.

### **39 Waiver of distributions**

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

39.1.1 the share has more than one holder, or

39.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

## **CAPITALISATION OF PROFITS**

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

40.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

40.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

- 40.1.2 appropriate any sum which they so decide to capitalise (a “capitalised sum”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “persons entitled”) and in the same proportions.
- 40.2 Capitalised sums must be applied:
  - 40.2.1 on behalf of the persons entitled, and
  - 40.2.2 in the same proportions as a dividend would have been distributed to them.
- 40.3 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.
- 40.4 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.
- 40.5 Subject to the articles the directors may:
  - 40.5.1 apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
  - 40.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - 40.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## **PART 4**

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

#### **ORGANISATION OF GENERAL MEETINGS**

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

- 41.1 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.
- 41.2 A person is able to exercise the right to vote at a general meeting when:
  - 41.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

- 41.2.2 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.
- 41.3 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.
- 41.4 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.
- 41.5 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.

## **42 Quorum for general meetings**

- 42.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 42.2 If the company has more than one member, the quorum for a general meeting shall be:
  - 42.2.1 one member holding more than one half in nominal value of the issued ordinary share capital of the company and present in person or by proxy or by representative (and the presence of such a member shall be deemed for this purpose to constitute a valid meeting), or
  - 42.2.2 if no such member is present, two members present in person or by proxy or representative.
- 42.3 If the company has only one member, section 318 of the Act shall apply.

## **43 Chairing general meetings**

- 43.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 43.2 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:
  - 43.2.1 the directors present, or
  - 43.2.2 (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

- 43.3 The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

**44 Attendance and speaking by directors and non-shareholders**

- 44.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

- 44.2 The chairman of the meeting may permit other persons who are not:

44.2.1 shareholders of the company, or

44.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

**45 Adjournment**

- 45.1 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.

- 45.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

45.2.1 the meeting consents to an adjournment, or

45.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 45.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 45.4 When adjourning a general meeting, the chairman of the meeting must:

45.4.1 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

45.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

- 45.5 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:

45.5.1 to the same persons to whom notice of the company’s general meetings is required to be given, and

45.5.2 containing the same information which such notice is required to contain.



- 45.6 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**

### **46 Voting: general**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

### **47 Errors and disputes**

- 47.1 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.
- 47.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### **48 Poll votes**

- 48.1 A poll on a resolution may be demanded:
- 48.1.1 in advance of the general meeting where it is to be put to the vote, or
  - 48.1.2 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.
- 48.2 A poll may be demanded by:
- 48.2.1 the chairman of the meeting;
  - 48.2.2 the directors;
  - 48.2.3 two or more persons having the right to vote on the resolution; or
  - 48.2.4 a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- 48.3 A demand for a poll may be withdrawn if:
- 48.3.1 the poll has not yet been taken, and
  - 48.3.2 the chairman of the meeting consents to the withdrawal.
- 48.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- ### **49 Content of proxy notices**
- 49.1 Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which:
- 49.1.1 states the name and address of the shareholder appointing the proxy;

- 49.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 49.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 49.1.4 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.
- 49.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 49.3 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.
- 49.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 49.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - 49.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **50 Delivery of proxy notices**

- 50.1 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.
- 50.2 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.
- 50.3 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.
- 50.4 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.

## **51 Amendments to resolutions**

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

- 51.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 51.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 51.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 51.3 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**

#### **52 Communications**

- 52.1 The company communications provisions (as defined in the Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts (as defined in the Act) but to be sent or supplied by or to the company pursuant to these articles:
- 52.1.1 by or to the company, or
  - 52.1.2 by or to the directors acting on behalf of the company.
- 52.2 The provisions of section 1168 of the Act (hard copy and electronic form and related expressions) shall apply to the company as if the words "and the Articles" were inserted after the words "the Companies Acts" in sections 1168(1) and 1168(7).
- 52.3 Section 1147 of the Act shall apply to any document or information to be sent or supplied by the company to its members under the Companies Acts or pursuant to these articles as if:
- 52.3.1 in section 1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom",
  - 52.3.2 in section 1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the company may be aware of the failure in delivery of such document or information",
  - 52.3.3 a new section 1147(4)(A) were inserted as follows:

“Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the company is able to show that it was properly addressed and sent at the cost of the company, it is deemed to have been received by the intended recipient when delivered”, and

52.3.4 section 1147(5) were deleted.

52.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by section 1147(3) of the Act and that the document or information was sent or supplied.

52.5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Schedule 5, part 6, paragraph 16(2) of the Act shall apply accordingly.

### **53 Company seals**

53.1 Any common seal may only be used by the authority of the directors.

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

53.3 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.

53.4 For the purposes of this article, an authorised person is:

53.4.1 any director of the company; or

53.4.2 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

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

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

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

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

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **56 Indemnities, insurance and funding of defence proceedings**

56.1 This article 56 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This article 56 is also without prejudice to any indemnity to which any person may otherwise be entitled.

56.2 The company:

56.2.1 shall indemnify every person who is a director of the company, and shall keep indemnified each such person after he ceases to hold office, and

56.2.2 may indemnify any other person who is an officer (other than an auditor) of the company,

in each case out of the assets of the company from and against any loss, liability or expense incurred by him or them in relation to the company by reason of his being or having been a director or other officer of the company.

56.3 The company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) out of the assets of the company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme.

56.4 The directors may purchase and maintain insurance at the expense of the company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the company or of any associated company (as defined in section 256 of the Act) of the company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the company.

56.5 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by sections 205 and 206 of the Act to:

56.5.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in section 205, or

56.5.2 take any action to enable such expenditure not to be incurred.