

Companies Act 2006

# ARTICLES OF ASSOCIATION

of

**INSURANCE COMPLIANCE SERVICES LIMITED**

Limited by Shares

**Company Number: 04398255**

REF: LYW/UK45015.7/23773102.1



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**Company Number: 04398255**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**INSURANCE COMPLIANCE SERVICES LIMITED (Company)**

**(adopted by special resolution passed on 05 November 2020)**

**Part 1**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1 DEFINED TERMS**

1.1 The regulations contained in the Model Articles for Private Companies Limited by Shares set out in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 3229/2008), shall not apply to the Company.

1.2 The following definitions and rules of interpretation shall apply in these Articles:

**the 2006 Act:** the Companies Act 2006.

**A Ordinary Shares:** the A Ordinary shares of £1.00 each in the capital of the Company from time to time.

**Articles:** the Company's articles of association for the time being in force.

**B Ordinary Shares:** the B Ordinary shares of £0.20 each in the capital of the Company from time to time.

**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.

**Conflict:** a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

**Controlling Shareholder:** a registered holder for the time being of not less than 50% in nominal value of the equity share capital of the Company from time to time.

**Eligible Director:** a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

**Group:** the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from

time to time of a holding company and member of the Group shall mean any of them.

<b>holding company:</b>	has the meaning given in Article 1.6.
<b>instrument:</b>	means a document in hard copy form.
<b>ordinary resolution:</b>	has the meaning given in section 282 of the 2006 Act.
<b>paid:</b>	means paid or credited as paid.
<b>participate:</b>	in relation to a directors' meeting, has the meaning given in Article 9.
<b>shareholder:</b>	means a person who is the holder of a share.
<b>shares:</b>	means shares in the Company.
<b>special resolution:</b>	has the meaning given in section 283 of the 2006 Act.
<b>subsidiary:</b>	has the meaning given in Article 1.6.
<b>transmittee:</b>	a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law.
<b>writing:</b>	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.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to a numbered article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.5.1 any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and
- 1.5.2 any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 A reference to a holding company or subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the 2006 Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.

- 1.7 Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.

## **2 LIABILITY OF SHAREHOLDERS**

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

### **Part 2**

## **DIRECTORS**

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

#### **3 DIRECTORS' GENERAL AUTHORITY**

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a Controlling Shareholder may from time to time by notice in writing to the Company prescribe.

#### **4 CONTROLLING SHAREHOLDER RESERVE POWER**

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

#### **5 DIRECTORS MAY DELEGATE**

- 5.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- 5.1.1 to such person or committee;
  - 5.1.2 by such means (including by power of attorney);
  - 5.1.3 to such an extent;
  - 5.1.4 in relation to such matters or territories; and
  - 5.1.5 on such terms and conditions as they think fit.
- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **DECISION-MAKING BY DIRECTORS**

### **6 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

6.1 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 7.

6.2 If:

6.2.1 the Company only has one director, and

6.2.2 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may, subject to Article 7.3 take decisions without regard to any other of the provisions of the Articles relating to directors' decision-making.

### **7 UNANIMOUS DECISIONS**

7.1 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.

7.2 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.

7.3 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.

7.4 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.

### **8 CALLING A DIRECTORS' MEETING**

8.1 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.

8.2 Notice of any directors' meeting must indicate:

8.2.1 its proposed date and time;

8.2.2 where it is to take place; and

8.2.3 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.

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

8.4 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.

## **9 PARTICIPATION IN DIRECTORS' MEETINGS**

- 9.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 9.1.1 the meeting has been called and takes place in accordance with the Articles, and
  - 9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 9.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **10 QUORUM FOR DIRECTORS' MEETINGS**

- 10.1 Subject to Article 10.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.
- 10.2 Any director enabled to participate in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other directors present at such meeting (whether in person or by his alternate or by means of such type of communication device) to hear at all times such director and such director to hear at all times all other directors present at such meeting (whether in person or by proxy or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

## **11 CHAIRING OF DIRECTORS' MEETINGS**

- 11.1 In the event that a chair is not appointed by the Controlling Shareholder, the directors may appoint a director to chair their meetings from time to time.
- 11.2 The person so appointed for the time being is known as the chair.
- 11.3 The directors or the Controlling Shareholder may terminate the chair's appointment at any time.
- 11.4 If the chair 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.

## **12 CASTING VOTE**

- 12.1 The chair or other director chairing the meeting shall, if the numbers of votes for and against a proposal are equal, have a second or casting vote. This does not apply if, in accordance with the Articles, the Chair or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## **13 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 13.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the 2006 Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:



- 13.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 13.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 13.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 13.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 13.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 13.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the 2006 Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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 2006 Act.

13.2 For the purposes of this Article 13:

- 13.2.1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent specified; and
- 13.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

13.3 In the execution of his duty to promote the success of the Company it is acknowledged that the directors shall be entitled to have regard to and take account of the interests of the Controlling Shareholder and in doing so such director shall not have infringed his duty to exercise independent judgement in accordance with Section 173 of the 2006 Act (or as such Section may be amended or restated or renumbered from time to time).

13.4 Notwithstanding Article 13.3 above, the existence of the following situations relating to a director which do or may give rise to a conflict arising as a result of the director's involvement with and relationship with the Controlling Shareholder and the investment strategy and operations of the Controlling Shareholder, shall be hereby authorised, without further approval being required by the directors and/or the members (as appropriate) and consequently shall not give rise to a breach of duty to avoid conflicts of interest:

- 13.4.1 if the director is a shareholder in and/or member and/or partner and/or employee and/or officer of the Controlling Shareholder;

- 13.4.2 if the Controlling Shareholder acquires a competitor of or a supplier to the Company, the Group or a material interest therein;
- 13.4.3 if the Controlling Shareholder or any person connected with Controlling Shareholder wishes to take up an opportunity that had been offered to but declined by the Group;
- 13.4.4 if the director is appointed by the Controlling Shareholder or any person connected with the Controlling Shareholder or is otherwise appointed as a director of any other company outside the Group, including in a competitor to or supplier of the Company;
- 13.4.5 if the Group is considering a refinancing proposed by or supported by Controlling Shareholder;
- 13.4.6 if a director accepts a benefit from a third party conferred by reason of his being a director of the Company or his doing (or not doing) anything as a director of the Company provided such benefit falls within Section 176(4) of the 2006 Act (or as such Section may be amended or restated or renumbered from time to time); and/or
- 13.4.7 if the Group consents or withholds consent or gives any direction pursuant to these Articles,

and the director shall be entitled to attend, be counted in the quorum and vote at any meeting of the directors notwithstanding any such conflict or potential conflict.

- 13.5 The provisions of Articles 13.1 to 13.4 (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 14.3.

#### **14 DIRECTORS' CONFLICTS OF INTEREST**

- 14.1 The directors may, in accordance with the requirements set out in this Article 14, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the 2006 Act to avoid conflicts of interest and which is not permitted by virtue of Article 13 above.
- 14.2 Any authorisation under this Article 14 will be effective only if:
  - 14.2.1 to the extent permitted by the 2006 Act:
    - 14.2.1.1 the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles; or
    - 14.2.1.2 in such other manner as the directors may determine;
  - 14.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 14.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 14.3 Any authorisation of a Conflict under this Article 14 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes

of dealing with the Conflict and the Interested Director will be obliged to conduct himself in accordance with any such terms and conditions.

- 14.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 14.5 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any member of the Group and no further authorisation under Article 14.1 shall be necessary in respect of any such interest.
- 14.6 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 that he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by these Articles (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.

## **15 RECORDS OF DECISIONS TO BE KEPT**

- 15.1 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.
- 15.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

## **NUMBER AND APPOINTMENT OF DIRECTORS**

### **16 METHODS OF APPOINTING AND REMOVAL OF DIRECTORS**

- 16.1 A Controlling Shareholder may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this Article 16).
- 16.2 The directors may appoint such persons as directors of the Company, providing that the Controlling Shareholder has not previously removed such person and that they are not prohibited from being a director under law or by the Financial Conduct Authority.
- 16.3 Any removal of a director pursuant to Article 16.1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.
- 16.4 Further and in addition to the provisions set out in Article 16.1, a person ceases to be a director as soon as:
  - 16.4.1 that person ceases to be a director by virtue of any provision of the Companies Acts or is prohibited from being a director by law;
  - 16.4.2 a bankruptcy order is made against that person;

- 16.4.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 16.4.4 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;
  - 16.4.5 a 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;
  - 16.4.6 such persons ceases to be a regulated person by the appropriate authority;
  - 16.4.7 such persons service agreement is terminated in accordance with their service agreement (and no resolution is passed by the board to the contrary).
- 16.5 A director's remuneration package shall be determined from time to time in accordance with (a) their service agreement; and / or (b) the remuneration committee of the Controlling Shareholder.

## **17 SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors. The Directors shall appoint a secretary in accordance with Group policy.

## **Part 3**

### **SHARES AND DISTRIBUTIONS**

## **18 SHARE CAPITAL**

- 18.1 The shares in the capital of the Company are divided into A Ordinary Shares and B Ordinary Shares which shall rank pari passu in regards to the distribution of assets.
- 18.2 The A Ordinary Shares shall also carry the right to:
- 18.2.1 receive notice of and to attend or vote at any general meeting of the Company and each holder shall have one vote per share;
  - 18.2.2 receive a copy of and to vote on a written resolution of the Company; and
  - 18.2.3 participate in the profits of the Company available for distribution and shall have the right to receive a dividend to be declared at the discretion of the directors.
- 18.3 For the avoidance of doubt the B Ordinary Shares do not carry the right to vote or receive dividends.

## **19 ISSUE OF NEW SHARES**

The directors shall not exercise any power of the Company to allot shares or other securities in, or to grant rights to subscribe for, or convert into, shares or other securities of, the Company without the prior written consent of a Controlling Shareholder (if any). Without limitation, the powers of the directors under section 550 of the 2006 Act are limited accordingly.

**20 ALL SHARES TO BE FULLY PAID UP**

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. This does not apply to shares taken on the formation of the Company.

**21 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

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.

**22 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.

**23 SHARE CERTIFICATES**

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

23.2 Every certificate must specify:

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

23.2.2 the nominal value of those shares;

23.2.3 that the shares are fully paid; and

23.2.4 any distinguishing numbers assigned to them.

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

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

23.5 Certificates must:

23.5.1 have affixed to them the Company's common seal; or

23.5.2 be otherwise executed in accordance with the Companies Acts.

**24 REPLACEMENT SHARE CERTIFICATES**

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

24.1.1 damaged or defaced; or

24.1.2 said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

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

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

## 25 SHARE TRANSFERS

- 25.1 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.
- 25.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 25.3 The Company may retain any instrument of transfer which is registered.
- 25.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 25.5 Subject to Article 25.6, 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.
- 25.6 Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, whether or not fully paid, nor may they suspend registration thereof where the transfer:
  - 25.6.1 is to any bank, person or institution to which such shares have been charged by way of security, or to any nominee of such a bank, person or institution (**Secured Institution**); or
  - 25.6.2 is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the Shares; or
  - 25.6.3 is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,and furthermore, notwithstanding anything to the contrary contained in these Articles:
  - 25.6.4 no transferor or proposed transferor of any shares in the Company to a Secured Institution or its nominee;
  - 25.6.5 no Secured Institution or its nominee; and
  - 25.6.6 no receiver or manager appointed by or on behalf of the Secured Institution or its nominee,

shall be required to offer the shares 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 (which are the subject of a transfer or proposed transfer referred to above) to be transferred to them whether for consideration or not. Any lien the Company has shall not apply to shares which have been charged to a Secured Institution.

## **26 PURCHASE OF OWN SHARES**

26.1 Subject to the 2006 Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares with cash up to any amount in a financial year not exceeding the lower of:

26.1.1 £15,000; or

26.1.2 the value of 5% of the Company's share capital.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **27 PROCEDURE FOR DECLARING DIVIDENDS**

27.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends but 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 and no dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

27.2 Unless:

27.2.1 the shareholders' resolution to declare; or

27.2.2 directors' decision to pay a dividend; or

27.2.3 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.

27.3 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 arrears.

27.4 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.

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

### **28 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

28.1 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:

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

28.1.2 sending a cheque, 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;

28.1.3 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

28.1.4 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.

28.2 In these Articles, **the distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable:

28.2.1 the holder of the share; or

28.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

28.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy; or otherwise by operation of law, the transmittee.

## 29 **NO INTEREST ON DISTRIBUTIONS**

29.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by the terms on which the share was issued; or the provisions of another agreement between the holder of that share and the Company.

## 30 **UNCLAIMED DISTRIBUTIONS**

30.1 All dividends or other sums which are:

30.1.1 payable in respect of shares; and

30.1.2 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.

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

30.3 If:

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

30.3.2 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.

## 31 **NON-CASH DISTRIBUTIONS**

31.1 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).



31.2 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:

31.2.1 fixing the value of any assets;

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

31.2.3 vesting any assets in trustees.

## 32 **WAIVER OF DISTRIBUTIONS**

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

32.1.1 the share has more than one holder; or

32.1.2 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**

### 33 **AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

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

33.1.1 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

33.1.2 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.

33.2 Capitalised sums must be applied:

33.2.1 on behalf of the persons entitled; and

33.2.2 in the same proportions as a dividend would have been distributed to them.

33.3 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.

33.4 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.

33.5 Subject to the Articles the directors may:

33.5.1 apply capitalised sums in accordance with paragraphs 33.3 and 33.4 partly in one way and partly in another;

- 33.5.2 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
- 33.5.3 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**

#### **34 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 34.1 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.
- 34.2 A person is able to exercise the right to vote at a general meeting when:
  - 34.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 34.2.2 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.
- 34.3 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.
- 34.4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.
- 34.5 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.

#### **35 QUORUM FOR GENERAL MEETINGS**

- 35.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 35.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the 2006 Act) present at the meeting shall be a quorum. In any other case, the quorum shall be:
  - 35.2.1 a Controlling Shareholder present in person, by proxy or by authorised representative; or
  - 35.2.2 if the Company does not have a Controlling Shareholder for the time being, any two shareholders present in person, by proxy or by authorised representative.

## **36 ADJOURNMENT**

If the persons attending a general meeting are not quorate within 30 minutes of the time it was due to commence, it shall be adjourned until such time as agreed between the shareholders (or the directors in the event the shareholders do not agree).

## **VOTING AT GENERAL MEETINGS**

### **37 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 and acted upon in accordance with these Articles and sections 321 and 322 of the 2006 Act.

### **38 ERRORS AND DISPUTES**

38.1 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.

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

### **39 POLL VOTES**

39.1 A poll on a resolution may be demanded:

39.1.1 in advance of the general meeting where it is to be put to the vote; or

39.1.2 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.

39.2 A poll may be demanded by:

39.2.1 the chair of the meeting;

39.2.2 the directors;

39.2.3 two or more persons having the right to vote on the resolution; or

39.2.4 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.

39.3 A demand for a poll may be withdrawn if:

39.3.1 the poll has not yet been taken; and

39.3.2 the chair of the meeting consents to the withdrawal.

39.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

### **40 PROXIES**

A shareholder may appoint a proxy to attend general meetings. Such proxy shall be notified to the directors in such form as acceptable to the directors and for such period as stated therein. A proxy shall cease on notification from the shareholder to the directors of such

cessation (providing such notification is provided at least 1 business day before a general meeting).

## **Part 5**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **41 MEANS OF COMMUNICATION TO BE USED**

- 41.1 Anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the 2006 Act provides for documents or information which are authorised or required by any provision of the 2006 Act to be sent or supplied by or to the Company.
- 41.2 Every notice convening a general meeting shall comply with the provisions of section 307 and 325 of the 2006 Act as to the length of notice required for the meeting and the giving of information to shareholders in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any shareholder is entitled to receive shall be sent to the directors and to the auditor for the time being of the Company.
- 41.3 Any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 41.4 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.

#### **42 COMPANY SEALS**

- 42.1 Any common seal may only be used by the authority of the directors.
- 42.2 The directors may decide by what means and in what form any common seal is to be used.
- 42.3 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.
- 42.4 For the purposes of this Article, an authorised person is:
  - 42.4.1 any director of the Company;
  - 42.4.2 the Company secretary (if any); or
  - 42.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **43 INDEMNITY**

- 43.1 Subject to Article 43.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
  - 43.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is

given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, 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 Company's (or any associated company's) affairs; and

43.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in Article 33.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

43.2 This Article 43 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

43.3 In this Article 43:

43.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

43.3.2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.

#### **44 INSURANCE**

44.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

44.2 In this Article 44:

44.2.1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor;

44.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer'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

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

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