

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

COMPANY NUMBER 04930453

Certified copy of a written Special Resolution of
British Waterways Marinas Limited

Passed 23rd November 2011

That

(1) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of Section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association, and

(2) the articles of association appended hereto be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

C Warren

Christopher Warren
Finance/Commercial Director
British Waterways Marinas Limited

23rd November 2011

THURSDAY



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12/01/2012
COMPANIES HOUSE

Company No 04930453

The Companies Act 2006

Company Limited by Shares

ARTICLES OF ASSOCIATION

adopted by Special Resolution passed on 23rd November 2011

of

BRITISH WATERWAYS MARINAS LIMITED

(incorporated on 13 October 2003)

Prism Cosec

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The Companies Act 2006
Company Limited by Shares

12/01/2012
COMPANIES HOUSE #378

Articles of Association

adopted by Special Resolution passed on 23rd November 2011

of

British Waterways Marinas Limited (the "Company")

Preliminary

1 Default Articles not to apply

Neither the regulations in Table A in The Companies (Tables A to F) Regulations 1985 nor any other articles or regulations prescribing the form of articles which may apply to companies under the Companies Acts or any former enactment relating to companies shall apply to the Company

Part 1

Interpretation and Limitation of Liability

2 Defined terms

2.1 In the Articles, unless the context requires otherwise

"**Articles**" means the Company's articles of association,

"**Associated Company**" has the same meaning as in Section 256 Companies Act 2006,

"**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 14,

"**Chairman of the Meeting**" has the meaning given in Article 49,

"**Companies Acts**" means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company,

"**Director**" means a director of the Company, and includes any person occupying the position of director, by whatever name called,

"**document**" includes, unless otherwise specified, any document sent or supplied in electronic form,

"**electronic form**" has the meaning given in Section 1168 of the Companies Act 2006,

"**fully paid**" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company,

"**hard copy form**" has the meaning given in Section 1168 of the Companies Act 2006,

"**ordinary resolution**" has the meaning given in Section 282 of the Companies Act 2006,

"**paid**" means paid or credited as paid,

"Relevant Director" means any Director or former Director of the Company or any director or former director of an Associated Company of the Company,

"Secretary" means any person appointed to perform the duties of the secretary of the Company (including any deputy or assistant secretary) in accordance with Article 28,

"shareholder" means a person(s) whose name or names is entered in the register of members,

"shares" means shares in the Company,

"special resolution" has the meaning given in Section 283 of the Companies Act 2006,

"subsidiary" has the meaning given in Section 1159 of the Companies Act 2006,

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law

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

2.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of the Articles

3 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' Duties, Powers and Responsibilities

4 Number of Directors

The Directors shall not be less than two

5 Duties

The Directors will undertake their duties in accordance with the provisions of Sections 171 to 179 inclusive of the Companies Act 2006 as amended from time to time

6 Directors' authority

6.1 Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

6.2 The Company may change its name by a decision of the Directors

7 Shareholders' reserve power

7.1 The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action

- 7 2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution

8 Directors may delegate

- 8 1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles to such person (who need not be a Director) or committee comprising any number of persons, who need not be Directors by such means (including by power of attorney), to such an extent, in relation to such matters or territories and on such terms and conditions, as they think fit
- 8 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
- 8 3 Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of a power or discretion by any person or committee to whom it has been delegated
- 8 4 The Directors may revoke any delegation in whole or part, or alter its terms and conditions
- 8.5 The Directors may make regulations in relation to the procedures of committees or sub-committees to whom their powers or discretions have been delegated or sub-delegated. Subject to any such regulations, the meetings and procedures of any committee or sub-committee shall be governed by the provisions of these Articles regulating the meetings and procedures of Directors

Decision making by Directors

9 Directors to take decisions collectively

- 9 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 by Directors' written resolution in accordance with Article 10
- 9 2 A decision may not be taken in accordance with this Article if the number of Directors who are entitled to vote on the matter is less than the quorum
- 9 3 If the Company only has one Director, and 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

10 Directors' written resolutions

- 10 1 Where all of the Directors share a common view on a matter, their decision may be recorded by way of a written resolution
- 10 2 A Directors' written resolution is adopted when all the Directors who would have been entitled to vote on such resolution if it had been proposed at a meeting of the Directors have signed one or more copies of it, or otherwise indicated their agreement to it in writing
- 10.3 A Directors' written resolution is not adopted if the number of Directors who have signed it is less than the quorum for Directors' meetings

11 Calling a Directors' meeting

- 11.1** Any Director may call a Directors' meeting by giving notice of the meeting to the other Directors or by requesting the Secretary (if any) to give such notice
- 11.2** Notice of any Directors' meeting must indicate its proposed date and time, where it is to take place, and 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
- 11.3** Notice of a Directors' meeting must be given to each Director, but need not be in writing
- 11.4** 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. 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

12 Participation in Directors' meetings

- 12.1** Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting when
 - a) the meeting has been called and takes place in accordance with Article 11, and
 - b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- 12.2** In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other
- 12.3** 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

13 Quorum for Directors' meetings

- 13.1** At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 13.2** The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two
- 13.3** If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision either to appoint further Directors, or to call a general meeting so as to enable the shareholders to appoint further Directors, or, with the consent of the shareholders, in accordance with Article 7.1, any other business that needs to be transacted during the period until such time as sufficient directors have been appointed to bring the total number of directors to or above the quorum

14 Chairing of Directors' meetings

- 14.1** The Directors may appoint a Director to chair their meetings
- 14.2** If the numbers of votes for and against a proposal are equal, the chairman of the meeting has a casting vote. This does not apply if, in accordance with the Articles, the chairman is not an eligible Director for the purposes of that meeting (or part of the meeting)

15 Record of decisions to be kept

The Directors/Secretary must ensure that the Company keeps a record, in writing, of every majority decision taken by the Directors (whether meeting as a board or under delegated authority by committee) and of every Directors' written resolution for at least 10 years from the date of the decision or resolution

16 Further rules

Subject to the Articles, the Directors may make any rules which they think fit concerning the process for reaching and recording decisions and the communication of such decisions to Directors

Directors' Interests

17 Authorisation of Directors' interests

17 1 For the purposes of Section 175 of the Companies Act 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company

17 2 Authorisation of a matter under this Article 17 shall be effective only if

- a) the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the usual procedures for such meetings or in such other manner as the Directors may resolve,
- b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"), and
- c) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted

17 3 Any authorisation of a matter under this Article may

- a) extend to any actual or potential conflict of interest which may arise out of the matter so authorised,
- b) be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently, and
- c) be terminated by the Directors at any time,

and a Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation

17 4 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article 17 and any contract, transaction or arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit

18 Permitted interests

18.1 Subject to compliance with Article 18 2, a Director, notwithstanding his office, may have an interest of the following kind

- a) where a Director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company,
- b) where a Director (or a person connected with him) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested,
- c) where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest,
- d) where a Director has an interest, or a transaction or arrangement gives rise to an interest, of which the Director is not aware, or
- e) where a Director has any other interest authorised by ordinary resolution

No authorisation under Article 17 shall be necessary in respect of any such interest

18 2 A Director shall declare the nature and extent of any interest permitted under Article 18 1 and not falling within Article 18 3, at a meeting of the Directors or in such other manner as the Directors may resolve

18 3 No declaration of an interest shall be required by a Director in relation to an interest

- a) falling within Article 18 1a), 18 1c) or 18 1d),
- b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or
- c) if, or to the extent that, it concerns the terms of his service contract (as defined in Section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

18 4 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 18 1, and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit

18.5 For the purposes of this Article 18, “**Relevant Company**” shall mean

- a) the Company,
- b) a subsidiary of the Company,
- c) any holding company of the Company or a subsidiary of any such holding company,
- d) any body corporate promoted by the Company, or
- e) any body corporate in which the Company is otherwise interested

19 Quorum and voting

- 19 1** A Director shall not be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he (or a person connected with him) has an interest, unless the interest is solely of a kind permitted by Article 18 1
- 19 2** A Director shall not be counted in the quorum at a meeting of the Directors in relation to any resolution on which he is not entitled to vote

20 Confidential information

- 20 1** Subject to Article 20 2, if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required
- a) to disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company, or
 - b) otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director
- 20 2** Where such duty of confidentiality arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 20 1 shall apply only if the conflict arises out of a matter which has been authorised under Article 18
- 20.3** This Article 20 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 20

21 Directors' interests - general

- 21 1** For the purposes of Articles 17 to 21
- a) a person is connected with a Director if that person is connected for the purposes of Section 252 of the Companies Act 2006, and
 - b) an interest (whether of the Director or of such a connected person) 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
- 21.2** Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so requested by the Directors, take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation
- a) absenting himself from any meetings of the Directors at which the relevant situation or matter falls to be considered, and
 - b) not reviewing documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

- 21.3** The Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 17 to 21

Appointment of Directors

22 Methods of appointing Directors

- 22.1** 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 either

- a) by ordinary resolution,
- b) by a decision of the Directors, or
- c) in writing served on the Company by any member holding, or any members together holding, shares carrying not less than 90 per cent of the votes which may for the time being be cast at a general meeting of the Company

23 Termination of Director's appointment

- 23.1** A person ceases to be a Director as soon as

- a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- b) a bankruptcy order is made against that person,
- c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- f) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms,
- g) a notice in writing to remove the Director is served on the Company by any member holding, or any members together holding, shares carrying not less than 90 per cent of the votes which may for the time being be cast at a general meeting of the Company,
- h) notice of termination is served or deemed served upon the Director and that notice is given by all the other Directors for the time being, or
- i) that person is absent from meetings of Directors for six months without permission and the Directors have resolved that that person should cease to be a Director

- 23.2** If a Director holds an appointment to an executive office which automatically terminates on termination of his office as a Director, his removal from office pursuant to this Article 23 shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company

24 Defective appointment

All acts done by any meeting of Directors, shall as regards all persons dealing in good faith with the Company be valid, notwithstanding that there was some defect in the appointment of any Director or that any such persons were disqualified or had vacated office, or were not entitled to vote

25 Directors' remuneration

25.1 Directors may undertake any services for the Company that the Directors decide

25.2 Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors, and for any other service which they undertake for the Company

25.3 Subject to the Articles, a Director's remuneration may

- a) take any form, and
- b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director

25.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

26 Expenses

The Company may pay any reasonable expenses which the Directors or Alternate Directors properly incur in connection with their attendance at, meetings of Directors or committees of Directors, general meetings, or 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

Alternate Directors

27 Alternate Directors

27.1 Any Director (the "appointor") may at any time appoint any person (including another Director) to be his alternate (the "Alternate" or the "Alternate Director") to exercise that Director's powers, and carry out that Director's responsibilities, in relation to the taking of decisions by the Directors in the absence of the Alternate's appointor

27.2 The appointment or termination of appointment of an Alternate Director must be made by notice in writing signed by the appointor or in any other manner approved by the Directors

27.3 The appointment of an Alternate Director shall terminate

- a) when the appointor revokes the appointment by notice to the Company specifying when it is to terminate,
- b) on the occurrence in relation to the Alternate of any event which if it happened to the Alternate's appointor, would result in the termination of the appointor's appointment as a Director,
- c) on the death of the Alternate's appointor, or
- d) if his appointor ceases to be a Director

- 27 4** An Alternate Director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director at any such meeting and be counted in the quorum at any such meeting at which his appointor is not personally present

Secretary

28 Secretary

If the Directors so resolve, the Company shall have a Secretary who shall be appointed on such terms as the Directors think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Part 3 Shares and Distributions

Shares

29 Issue of shares

- 29 1** Notwithstanding any other provisions contained in Section 550 of the Companies Act 2006, for so long as the Company is a subsidiary company, the Directors shall not be entitled to exercise any of the powers, authorities, rights or discretions conferred on them to allot or grant rights to subscribe for or to convert any security into such shares without the prior consent of the Company's holding company.

- 29 2** Subject to Section 550 of the Companies Act 2006 and Article 29 1, all shares shall be under the control of the Directors who may allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit. Shares may be issued as nil, partly or fully paid.

30 Pre-emption rights

In accordance with Section 567 of the Companies Act 2006, the directors may allot equity securities as if Sections 561 and 562 of the Companies Act 2006 (existing shareholders' rights of pre-emption and communication of pre-emption offers to shareholders) did not apply to the allotment.

31 Powers to issue different classes of shares

- 31.1** 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.
- 31.2** The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.

32 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 attached to it

33 Joint holders

- 33.1** Except as otherwise specified in the Articles, anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the register of members in respect of the share
- 33.2** Except as otherwise specified in the Articles, any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the register of members in respect of the share, to the exclusion of the other joint holders
- 33.3** The provisions of this Article 33 shall have effect in place of the provisions of Schedule 5 of the Companies Act 2006 regarding joint holders of shares

34 Share certificates

- 34.1** The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- 34.2** Every certificate must specify
- a) the number and class of shares to which it relates,
 - b) the nominal value of those shares,
 - c) that the shares are fully paid, and
 - d) any distinguishing numbers assigned to them
- 34.3** No certificate may be issued in respect of shares of more than one class
- 34.4** If more than one person holds a share, only one certificate may be issued in respect of it
- 34.5** Certificates must
- a) have affixed to them the Company's common seal, or
 - b) be otherwise executed in accordance with the Companies Acts

35 Replacement share certificates

- 35.1** A shareholder who has separate certificates in respect of shares of one class may request in writing that it be replaced with a consolidated certificate. The Company may comply with such request at its discretion
- 35.2** A shareholder who has a consolidated share certificate may request in writing that it be replaced with two or more separate certificates representing the shares in such proportions as he may specify. The Company may comply with such request at its discretion
- 35.3** If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the member shareholder shall be issued a new certificate representing the same shares upon request provided that no new certificate will be issued pursuant to this Article 35 unless the relevant shareholder has

- a) first delivered the old certificate or certificates to the Company for cancellation, and/or
- b) complied with such conditions as to evidence and indemnity as the Directors may think fit, and
- c) paid such reasonable fee as the Directors may decide

35.4 In the case of shares held jointly by several persons, any request pursuant to this Article 35 may be made by any one of the joint holders

36 Share transfers

36.1 Shares may be transferred by means of an instrument of transfer executed by or on behalf of the transferor. Such instrument of transfer must be in hard copy form but may otherwise be in any usual form or any other form approved by the Directors

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

36.3 The Company may retain any instrument of transfer which is registered

36.4 The transferor remains the holder of the shares concerned until the transferee's name is entered in the register of members as the holder of those shares

36.5 The Directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of, and reasons for, the refusal unless they suspect that the proposed transfer may be fraudulent

37 Transmission of shares

37.1 If title to a share passes to a transferee, the Company may only recognise the transferee as having any title to that share

37.2 A transferee who produces such evidence of entitlement to shares as the Directors may reasonably require

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

37.3 A transferee does 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 it is entitled, by reason of the holder's death or bankruptcy or otherwise, unless it becomes the holder of those shares

38 Exercise of transferees' rights

38.1 A transferee who wishes to become the holder of shares to which it has become entitled must notify the Company in writing of that wish

38.2 If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in hard copy form in respect of it

38.3 Any transfer made or executed under this Article 38 is to be treated as if it were made or executed by the person from whom the transferee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

39 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 had been entered in the register of members

Dividends and Other Distributions

40 Procedure for declaring dividends

- 40.1** The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends
- 40.2** A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors
- 40.3** No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- 40.4** Unless the shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it
- 40.5** If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears
- 40.6** The Directors may pay fixed dividends on any class of shares carrying such a dividend expressed to be payable on fixed dates being the dates prescribed for payment if it appears to them that the profits available for distribution justify the payment
- 40.7** If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a fixed or interim dividend on shares with deferred or non-preferred rights

41 Payment of dividends and other distributions

- 41.1** Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one of the following means
- a) transfer to a bank or building society account specified by the payee either in writing or as the Directors may otherwise decide,
 - b) sending a cheque made payable to the payee by post to the payee at the payee's registered address (if the payee is a holder of the share), or (in any other case) to an address specified by the payee either in writing or as the Directors may otherwise decide,
 - c) sending a cheque made payable to such person by post to such person at such address as the payee has specified either in writing or as the Directors may otherwise decide, or
 - d) any other means of payment as the Directors agree with the payee either in writing or by such other means as the Directors decide

41 2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other sum payable on or in respect of a share may be paid in such currency as the Directors may resolve, using such exchange rate for currency conversion as the Directors may select

41.3 In the Articles, the "payee" means, in respect of a share for which a dividend or other sum is payable

- a) the holder of the share, or
- b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
- c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee, or
- d) such other person or persons as the holder (or, in the case of joint holders, all of them) may direct

42 No interest on distributions

42 1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

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

43 Unclaimed distributions

43 1 All dividends or other sums which are payable in respect of shares, and 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

43 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

43.3 If twelve years have passed from the date on which a dividend or other sum became due for payment, and the payee has not claimed it, the payee is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

44 Non-cash distributions

44 1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the Directors, direct the payment of a dividend in whole or in part by the transfer of non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company) and the Directors shall give effect to such resolution

44 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, fixing the value of any assets, paying cash to any payee on the basis of that value in order to adjust the rights of recipients, and vesting any assets in trustees

45 Waiver of distributions

- 45.1** Payees may waive their entitlement to a dividend or other distribution payable in respect of a share in whole or in part by giving the Company notice in writing to that effect, but if the share has more than one holder, or 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

46 Authority to capitalise profits and appropriation of capitalised sums

- 46.1** Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution

- a) 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, capital redemption reserve or other undistributable reserve, and
- b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions

- 46.2** Capitalised sums must be applied

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

- 46.3** 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

- 46.4** 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

- 46.5** Subject to the Articles the Directors may

- a) apply capitalised sums in accordance with these Articles 46.3 and 46.4 partly in one way and partly in another,
- b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article 46 (including to disregard fractional entitlements or for the benefit of them to accrue to the Company), and
- c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article 46

Part 4
Decision Making by Shareholders

Organisation of General Meetings

47 Attendance and speaking at general meetings

- 47 1** A person who is a shareholder, a proxy for a shareholder or a personal representative of a corporate shareholder is able to exercise the right to attend, speak and vote 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
- 47.2** 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
- 47 3** 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
- 47.4** 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

48 Quorum for general meetings

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. One shareholder attending the meeting shall be a quorum.

49 Chairing general meetings

- 49 1** If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so
- 49 2** If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start
- a) the Directors present, or
 - b) (if no Directors are present), the meeting,
- must appoint a Director or shareholder to chair the meeting, and such appointment must be the first business of the meeting
- 49 3** The person chairing a meeting in accordance with this Article 49 is referred to as the **"Chairman of the Meeting"**
- 50 Attendance and speaking by Directors and non-shareholders**
- 50 1** Directors may attend and speak at general meetings, whether or not they are shareholders
- 50 2** The Chairman of the Meeting may permit other persons who are not
- a) shareholders of the Company, or
 - b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting

51 Adjournment

- 51.1** 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
- 51.2** The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if
- a) the meeting consents to an adjournment, or
 - b) the Chairman of the Meeting considers 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
- 51.3** The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting
- 51.4** When adjourning a general meeting, the Chairman of the Meeting must 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
- 51.5** If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
- a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - b) containing the same information which such notice is required to contain
- 51.6** 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

52 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

53 Errors and disputes

- 53.1** 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
- 53.2** Any such objection must be referred to the Chairman of the Meeting, whose decision is final

54 Poll votes

- 54.1** A poll on a resolution may be demanded
- a) in advance of the general meeting where it is to be put to the vote, or

- b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

54.2 A poll may be demanded by

- a) the Chairman of the Meeting,
- b) the Directors,
- c) two or more persons having the right to vote on the resolution, or
- d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution

54.3 A demand for a poll may be withdrawn if

- a) the poll has not yet been taken, and
- b) the Chairman of the Meeting consents to the withdrawal

54.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs

55 Content of proxy notices

55.1 Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which

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

55.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

55.3 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

56 Delivery of proxy notices

56.1 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

56.2 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

56.3 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

- 56.4** 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
- 57 Amendments to resolutions**
- 57 1** An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
- a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and
 - b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution
- 57 2** A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 57.3** If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution

Part 5

Administrative Arrangements

- 58 Means of communication to be used**
- 58 1** Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company
- 58 2** Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, which is
- a) sent by hand and properly addressed shall be deemed to have been received by the intended recipient on the day of delivery,
 - b) sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where first class mail is not employed, 48 hours) after the time it was posted,
- and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed and, in the case of post, pre-paid and posted
- 58.3** Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24

hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed

58 4 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding

58 5 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being

58 6 A Director may agree with the Company that notices, documents or information 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 that provided in this Article 58

59 Company seals

59 1 Any common seal may only be used by the authority of the Directors

59 2 The Directors may decide by what means and in what form any common seal is to be used

59 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

59.4 For the purposes of this Article 59, an authorised person is

- a) any Director of the Company,
- b) the Secretary (if any), or
- c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

60 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

61 Bank mandates

The Directors may by majority decision or written resolution authorise such person or persons as they think fit to act as signatories to any bank account of the Company and may amend or remove such authorisation from time to time by resolution

62 Authentication of documents

62 1 Any Director or the Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate

- a) any document affecting the constitution of the Company,

- b) any resolution passed at a general meeting or at a meeting of the Directors or any committee, and
 - c) any book, record, document or account relating to the business of the Company,
- and to certify copies or extracts as true copies or extracts
- 62 2** A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting

Directors' Liabilities

63 Indemnity

- 63.1** Subject to paragraph 63 2, a Relevant Director and, if appropriate, the Secretary may be indemnified out of the Company's assets against
- a) any liability incurred by or attaching to that Director or Secretary in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an Associated Company,
 - b) any liability incurred by or attaching to that Director or Secretary in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Companies Act 2006),
 - c) any other liability incurred by or attaching to that Director as an officer of the Company or an Associated Company
- 63 2** This Article 63 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act 2006 or by any other provision of law
- 63.3** Where a Relevant Director and, if appropriate, the Secretary is indemnified against any liability in accordance with this Article, such indemnity [may/shall] extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto

64 Insurance

- 64.1** The Directors shall have the power to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director and the Secretary in respect of any relevant loss
- 64 2** In this Article 64, a "**relevant loss**" means any loss or liability which has been or may be incurred by a Relevant Director and/or the Secretary in connection with that Director's or Secretary'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

65 Defence expenditure

- 65 1** So far as may be permitted by the Companies Acts, the Company may
- a) provide a Relevant Director and/or the Secretary with funds to meet expenditure incurred or to be incurred by him in

- (i) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company, or
 - (ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006, and
 - b) do anything to enable any such Relevant Director and/or the Secretary to avoid incurring such expenditure
- 65.2** The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 65 1
- 65 3** So far as may be permitted by the Companies Acts, the Company
- a) [may/shall] provide a Relevant Director and/or the Secretary with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company, and
 - b) may do anything to enable any such Relevant Director and/or the Secretary to avoid incurring such expenditure