

Company No 6140457

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

NATIONAL GRID UK PENSION SCHEME TRUSTEE LIMITED

TUESDAY



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08/07/2014

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise

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

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

"chairman" means the person designated or appointed as provided for in article 11,

"chairman of the meeting" has the meaning given in article 33,

"Category A Director" means a director who has been selected by the members of the Pension Scheme,

"Category B Director" means a director who has been appointed by the Principal,

"Category A Member" means a member of the Company who is a Category A Director,

"Category B Member" means a member of the Company who is a Category B Director

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

"Company" means the company named above,

"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 (*Hard copy and electronic form and related expressions*),

"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 (*Hard copy and electronic form and related expressions*),

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

"instrument" means a document in hard copy form,

"meeting" includes a meeting conducted by telephone, video conference call, conference call or any other medium which permits persons taking part to communicate interactively with each other,

"member" means a shareholder,

"MND arrangements" means any arrangements secured by the trustee of the Pension Scheme in accordance with the MND provisions for the nomination and selection of directors,

"MND provisions" means the provisions set out in the Pensions Act 2004 (and the regulations made under that Act, and any subsequent legislation amending or replacing that Act) for the selection of trustees (and where a company is a trustee, the directors of that company) by the members of an occupational pension scheme established under trust,

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006 (*Ordinary resolutions*),

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 9,

"Pension Scheme" means the National Grid UK Pension Scheme which was established with effect from 1 April 1982 and which is currently governed by the Trust Deed and Rules dated 6 April 2006 as amended from time to time

"Principal" means Lattice Group Plc (registered number 3900804) or if there is a change of principal employer of the Pension Scheme (in accordance with the terms of the Pension Scheme), the company (or other body) which becomes the "company" for the purposes of the Pension Scheme,

"proxy notice" has the meaning given in article 39,

"Relevant Company" shall mean

- (i) the Company,
- (ii) a subsidiary undertaking of the Company,
- (iii) any holding company of the Company or a subsidiary undertaking of any such holding company,
- (iv) any body corporate promoted by the Company,
- (v) any body corporate in which the Company is otherwise interested

"seal" means the common seal of the Company,

“secretary” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,

“shareholder” means a person who is the holder of a share,

“shares” means shares in the Company,

“signed” means signed in writing or by means of electronic signature,

“special resolution” has the meaning given in section 283 of the Companies Act 2006 (*Special resolutions*),

“specified company” means

- (i) the Company,
- (ii) the Principal,
- (iii) any “associated company” (as defined in section 256 of the Companies Act 2006 (*Associated bodies corporate*)) of the Company or Principal, or
- (iv) any “group undertaking” (as defined in section 1161 of the Companies Act 2006 (*Meaning of “undertaking” and related expressions*)) of the Company or Principal,

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006 (*Meaning of “subsidiary” etc*),

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

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

References to any legislation or any provision of it include references to any subordinate legislation made under it, and references to any legislation or any provision of it include references to any previous legislation or provision relating to the same subject-matter or to any modification or re-enactment of it for the time being in force. References to any subordinate legislation or any provision of it are to be similarly construed

Objects of the Company

2. The purpose of the Company is to be the trustee of an occupational pension scheme and to carry on all the associated offices, duties, powers and discretions associated with being a pension scheme trustee as set out in the governing documentation of such one or more occupational pension schemes, legislation and general law

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

4. 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

Directors may delegate

5. (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles
 - (a) to such person or such committee (which may include a person or persons who are not directors of the Company),
 - (b) by such means (including by power of attorney),
 - (c) to such an extent,
 - (d) in relation to such matters or territories, and
 - (e) on such terms and conditions,as they think fit
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

Committees

6. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them. For the avoidance of doubt, this may include

prevailing over the voting requirements set out in Article 7(1) and/or the quorum requirements set out in Article 10(2)

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7. (1) The directors may only exercise their powers and decide questions arising by a vote in favour by at least a majority of Category A Directors who are present and voting and a majority Category B Directors who are present and voting
- (2) A written resolution, circulated to all directors in accordance with any procedures for notification and timescale of response to such resolution as agreed by the directors, which is then signed or confirmed by electronic means by the minimum number of directors required to make a directors' meeting or a meeting of a committee quorate (and forming the majority of those actually voting) is just as valid and effective as a resolution passed by those directors at a meeting or committee meeting which is validly called and held

Calling a directors' meeting

- 8 (1) The directors will meet not less than twice in every year and at any time within 28 days after a written request to the secretary to the Company signed by any three directors
- (2) Notice of a meeting of the directors or a committee appointed pursuant to these Articles shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or electronically or sent to him in writing at an address given by him to the Company for this purpose
- (3) A director absent or intending to be absent from the United Kingdom may request that the notices of meetings shall during his absence be sent in writing to him at an address given by him to the Company for this purpose, such notices need not be given any earlier than notices given to directors not so absent and if no request is made to the directors or secretary it shall not be necessary to give notice of a meeting of the directors to any director who is for the time being absent from the United Kingdom
- (4) Notice of any directors' meeting must indicate
- (a) its proposed date and time,
 - (b) where it is to take place, and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

Participation in directors' meetings

9. (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- (2) A director may participate in a meeting of the directors or a committee appointed by the directors through the medium of conference telephone or video conference call, or any other medium which permits all persons participating in the meeting to hear and to speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote
- (3) All business transacted in this way by the directors or a committee appointed by the directors is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee appointed by the directors although a quorum of directors is not physically present at the same place
- (4) The meeting is deemed to take place at the place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

Quorum for directors' meetings

10. (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- (2) The quorum for the transaction of the business of the directors shall be a majority of both Category A Directors and Category B Directors
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors
- (4) Subject to the provisions of these articles, any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no other director objects and if otherwise a quorum of directors would not be present
- (5) All acts done by a meeting of directors, (or of a committee or sub-committee appointed pursuant to these articles) or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director

or that any of them were disqualified holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or a member of such a committee and had been entitled to vote. For the avoidance of doubt, directors shall not be entitled to nominate alternates

Chairing of directors' meetings

11. Unless the MND provisions or the MND arrangements provide otherwise, in which case the terms of the MND arrangements shall be followed to the extent that they differ from the provisions below, the Principal shall designate one of the directors to be chairman and may designate a deputy chairman, both of whom will continue to hold those offices so long as they remain directors or until the prior determination of their appointments to those offices by the Principal. If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

Casting vote

12. In the case of an equality of votes, neither the chairman nor the deputy chairman will be entitled to a casting vote in addition to any other vote he may have

Conflicts of interest

Authorising situations of actual or potential conflict

- 13 (1) The directors may (subject always to their right to vary or terminate such authorisation at any time and subject to such terms, conditions and limitations as may be imposed from time to time in accordance with article 13(5) below) authorise any matter which would otherwise result in a director infringing his or her duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest, provided that authorisation under this article shall only be effective if
- (a) the matter in question shall have been proposed in writing for consideration at a meeting of the directors, in accordance with the board's normal procedures or in such other manner as the directors may approve,
 - (b) any requirement as to the quorum at the meeting at which such matter is considered is met without counting the director in question or any other interested director (together the "Interested Directors"), and
 - (c) such matter was agreed to without any Interested Director voting or would have been agreed to if the votes of the Interested Directors had not been counted

- (2) For the purposes of this article 13, an "interest" includes both direct and indirect interests and a "conflict" includes a conflict of interest and duty, and a conflict of duties. Any authorisation of a matter pursuant to this article 13 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.

Authorised circumstances

- (3) Notwithstanding that a director has (or may have) a direct or indirect interest that conflicts (or possibly may conflict) with the interests of the Company, a director is (subject to article 13(4)) authorised to act (and no further authorisation is required under article 13(1)) in the following circumstances:
- (a) a director may be a party to, or otherwise interested in, any contract, transaction or arrangement with any Relevant Company or in which the Company is otherwise interested,
 - (b) a director may be a director or other officer of, or employed by, or otherwise interested in, any Relevant Company or in which the Company is otherwise interested,
 - (c) a director may represent the interests of a shareholder of the Company whose interests may conflict, from time to time, with the interests of the Company, and
 - (d) a director may hold an interest in a shareholder of the Company and/or a body corporate, trust, partnership or fund which controls, is controlled by or is under the common control with the member.

Authorisation subject to disclosure and other terms

- (4) (a) Authorisation under article 13(3) is subject to the director having disclosed the situation of conflict (or potential conflict) to the board in accordance with the board's normal procedures.
- (b) In accordance with article 13(5), a director acting in any of the circumstances referred to in article 13(3) will not be in breach of the general duty under section 175 of the Companies Act 2006. Such director shall also be counted as participating in the decision making process for quorum, voting or other arrangement of business purposes unless the other directors decide otherwise.

- (5) Any authorisation of a matter under article 13(1) or 13(3) shall be subject to such terms, conditions and limitations as the directors may from time to time determine. Where a matter has been authorised by the directors subject to the terms and conditions in articles 13 or 14, the director shall act in accordance with such terms, conditions and limitations and shall comply with any obligations imposed on him or her.
- (6) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director has an interest, that director may be counted as participating in the decision making process for quorum, voting or arrangement purposes unless the other directors decide otherwise.
- (7) The general duties which a director owes to the Company pursuant to sections 171 to 177 of the Companies Act 2006 will not be infringed by anything done (or omitted to be done) by a director in accordance with the provisions of this article 13 or any terms, conditions or limitations imposed pursuant to this article 13.
- (8) A director shall not, by reason of his office, be accountable to the Company for any benefit which he (or a person connected with him) derives from or in relation to any matter which has been authorised by the directors pursuant to this article 13 (subject to any terms, conditions or limitations to which such authorisation was subject), nor shall the receipt of such benefit constitute a breach of his duty under section 176 of the Companies Act 2006, and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- (9) Where proposals are under consideration concerning the appointment of two or more directors to offices or employment with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- (10) If a question arises at a meeting of directors (or of a committee or sub-committee appointed pursuant to these articles) as to the right of a director or member of such committee or sub-committee to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director or member of such committee or sub-committee shall be final and conclusive.

Confidential information

- 14** (1) If a matter has been authorised by the directors in accordance with article 13(1) (or is otherwise authorised under article 13(3)) then, unless the directors resolve otherwise

- (a) the director shall not be required to disclose to the Company or to the directors, or to any director, officer or employee of the Company information which he receives otherwise than by virtue of his position as director, in respect of which he owes a duty of confidentiality to a person other than the Company, to the extent that disclosure of such confidential information would amount to a breach of confidence to that person("Confidential Information"),
- (b) the director shall not be required to otherwise use or apply such Confidential Information for the purpose of or in connection with the performance of his duties as a director,
- (c) the director shall be entitled to disclose to the members which appointed him as director such information concerning the business and affairs of the Company as he sees fit,
- (d) 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 any conflict of interest, including without limitation
 - (i) absenting himself from any meetings of the directors at which the relevant situation or matter falls to be considered, and
 - (ii) 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

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

- 17. (1) The directors shall be 12 in number, unless a different number is agreed by the Company and the Principal Half of the directors shall

be Category A Directors and half of the directors shall be Category B Directors

- (2) Category A Directors will be selected in accordance with the MND arrangements and may be removed in accordance with such arrangements. A Category A Director may resign by giving notice in writing to the Company. Unless the MND arrangements state otherwise, a Category A Director will not remain in office for a period of more than 6 years unless re-selected. Where a Category A Director was an individual trustee of the Pension Scheme immediately before the appointment of the Company as the Pension Scheme's trustee, the reference to 6 years above shall be read as referring to the balance of 6 years, that is to say, once the time already spent in office as an individual trustee in the period immediately before the Company's appointment has been deducted. For the avoidance of doubt the MND arrangements may provide for a Category A Director's term of office to end before the expiry of the period described above.
- (3) Category B Directors shall be appointed by and hold office as directed by the Principal, and the Principal may also remove any Category B Director from his office. A Category B Director may resign by giving notice to the Company. Every appointment and removal of such a director shall be conclusively notified in writing under the hand of a duly authorised officer of the Principal and such notice shall be given to the Company at its registered office.
- (4) The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

Termination of director's appointment

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

- (1) 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,
- (2) he is disqualified or prohibited from acting as a trustee or a director of a corporate trustee under any provision of the Trustee Act 1925, the Trustee Act 2000, the Pensions Act 1995, the Pensions Act 2004 or any court or regulatory ruling pursuant those enactments or regulations made under them, or
- (3) if the director is removed or resigns under article 17

Any termination of a director's appointment under this article 18 shall comply with the MND arrangements.

MND provisions

19 If and for so long as the Company is a trustee of a trust scheme to which the MND provisions apply, the directors and the Principal shall ensure that the MND provisions, are implemented. The terms of the MND provisions and the

MND arrangements shall override any provisions of these articles which are inconsistent

Directors' remuneration

20. (1) Directors may undertake any services for the Company that the directors decide
- (2) In accordance with the governing documentation of the relevant pension scheme, directors are entitled to such remuneration as the directors determine
- (a) for their services to the Company as directors, and
- (b) for any other service which they undertake for the Company
- (3) Subject to the articles, a director's remuneration may
- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director
- (4) Unless the Company decides otherwise, directors' remuneration accrues from day to day
- (5) Unless the Company decides otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested

Directors' expenses

21. The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at
- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

The directors (and members of any committee or sub-committee appointed pursuant to these Articles) may incur any costs or expenses which they consider necessary or desirable for the proper performance of their duties. These include costs in resolving any matter concerning the Scheme by litigation or other dispute resolution procedure

**PART 3
SHARES AND DISTRIBUTIONS
SHARES**

All shares to be fully paid up

22. (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue
- (2) This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum

Powers to issue different classes of share

- 23 (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 the directors
- (2) The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the directors or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

Company not bound by less than absolute interests

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

Share certificates

25. (1) The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- (2) Every certificate must specify
- (a) in respect of how many shares, of what class, it is issued,
 - (b) the nominal value of those shares,
 - (c) that the shares are fully paid, and
 - (d) any distinguishing numbers assigned to them
- (3) No certificate may be issued in respect of shares of more than one class
- (4) If more than one person holds a share, only one certificate may be issued in respect of it

- (5) Certificates must
 - (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts
- (6) The directors may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed

Replacement share certificates

- 26
- (1) If a certificate issued in respect of a shareholder's shares is
 - (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares
 - (2) A shareholder exercising the right to be issued with such a replacement certificate
 - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

Share transfers

- 27.
- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
 - (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
 - (3) The Company may retain any instrument of transfer which is registered
 - (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
 - (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

Transmission of shares

- 28** (1) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and,
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares
- (4) Any director who is a shareholder shall, on ceasing to become a director, transmit his shareholding [at nil consideration] to such person as the remaining directors shall direct. Any director of the Company is hereby irrevocably authorised as such member's attorney to take such steps and execute such documents as may be necessary for that purpose

Exercise of transmittees' rights

- 29.** (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish
- (2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it
- (3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

Transmittees bound by prior notices

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

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

31. (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- (2) A person is able to exercise the right to vote at a general meeting when
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

Quorum for general meetings

32. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

Chairing general meetings

33. (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start
- (a) the directors present, or
 - (b) (if no directors are present), the meeting,

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

- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting" In the case of an equality of votes, whether on a show of hands or on a poll, the chairman will not be entitled to a casting vote in addition to any other vote he may have

Attendance and speaking by directors and non-shareholders

- 34. (1) Directors may attend and speak at general meetings, whether or not they are shareholders
- (2) The chairman of the meeting may permit other persons who are not
 - (a) shareholders of the Company, or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,to attend and speak at a general meeting

Adjournment

- 35 (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- (4) When adjourning a general meeting, the chairman of the meeting must
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
 - (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

- 37.** (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final

Poll votes

- 38.** (1) A poll on a resolution may be demanded
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared
- (2) A poll may be demanded by
- (a) the chairman of the meeting,
 - (b) the directors,
 - (c) two or more persons having the right to vote on the resolution, or

- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution
- (3) A demand for a poll may be withdrawn if
 - (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

Content of proxy notices

- 39** (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which
- (a) states the name and address of the shareholder appointing the proxy,
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- (4) Unless a proxy notice indicates otherwise, it must be treated as
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

Delivery of proxy notices

- 40** (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy

notice has been delivered to the Company by or on behalf of that person

- (2) An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

Amendments to resolutions

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

PART 5

ADMINISTRATIVE ARRANGEMENTS

Company Secretary

42. Subject to the provisions of the Companies Act 2006, the secretary shall be appointed by the Principal for such term, at such remuneration and upon such conditions as they think fit, and any secretary so appointed may be removed by the Principal

Means of communication to be used

43. (1) Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company
- (2) A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

Company seals

44. (1) Any common seal may only be used by the authority of the directors
- (2) The directors may decide by what means and in what form any common seal is to be used
- (3) Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- (4) For the purposes of this article, an authorised person is
- (a) any director of the Company,
 - (b) the Company secretary (if any), or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

No right to inspect accounts and other records

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

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

47. (1) Subject to paragraph (2), a relevant director or officer of the Company or an associated company may be indemnified out of the Company's assets against
- (a) any liability incurred by that director or officer or attaching to them in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company, including
 - (i) in actually or seemingly carrying out their duties,
 - (ii) in using or seemingly using their powers, and
 - (iii) in any other activity connected to their duties, powers or office
 - (b) any liability incurred by that director or officer 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 (*Qualifying pension scheme indemnity provision*)),
 - (c) any other liability incurred by that director or officer as an officer of the Company or an associated company,
 - (d) Where a director or officer is indemnified against any liability in line with this Article, the indemnity will cover all costs, charges, losses, expenses and liabilities incurred by them
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law
- (3) In this article
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
 - (b) a "relevant director" means any director or former director of the Company or an associated company

Insurance

48. (1) The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss, including any liability incurred by or attaching to them through any act or omission

- (i) in actually or seemingly carrying out their duties,
- (ii) in using or seemingly using their powers, and
- (iii) in any other activity connected to their duties, powers or office

in relation to the Company and all costs, charges, expenses and liabilities incurred by them in relation to any act or omission

(2) In this article

- (a) a "relevant director" means any director or former director of the Company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate