

Mortimer Clarke Solicitors Limited

Company No. 06211733

Incorporated 13 April 2007

## Articles of Association

As adopted by Special Resolution on 1 July 2015



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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### 1. Defined terms

1.1 In these articles, unless the context requires otherwise:

“**Act**” means the Companies Act 2006;

“**appointor**” has the meaning given in article 21.1

“**articles**” means the company’s articles of association from time to time in force;

“**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;

“**business day**” means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

“**chairman**” has the meaning given in article 12.2;

“**chairman of the meeting**” has the meaning given in article 48.3;

“**clear days**” means *a period* excluding the day a notice is given and excluding the day of the event by reference to which the end of the period is defined,

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

“**Conflict**” has the meaning given in article [●];

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

“**Controlling Shareholder**” means a registered holder for the time being of not less than [75]% in nominal value of the equity share capital of the Company from time to time.

“**director**” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“**distribution recipient**” has the meaning given in article 37.2;

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

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

“**eligible director**” means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

“**fully paid**” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“**hard copy form**” has the meaning given in section 1168 of the Act;

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

“**instrument**” means a document in hard copy form;

“**ordinary resolution**” has the meaning given in section 282 of the Companies Act 2006;

“**paid**” means paid or credited as paid;

“**participate**”, in relation to a directors’ meeting, has the meaning given in article 10;

“**proxy notice**” has the meaning given in article 54;

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

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

“**shares**” means shares in the company;

“**special resolution**” has the meaning given in section 283 of the Act;

“**SRA Handbook**” means the handbook approved by the Legal Services Board on 17 June 2011 which sets out the standards and requirements that solicitors are expected to achieve and observe for the benefit of the clients they serve and in the public interest, and any amendment or restatement of the SRA Handbook.

“**SRA Principles 2011**” means the mandatory principles which apply to all solicitors as set out in the SRA handbook.

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

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

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

- 1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles become binding on the company.
- 1.3 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.4 A reference in these articles to an “article” is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference in these articles to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - 1.5.1 any subordinate legislation from time to time made under it; and
  - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

- 1.6 Any phrase in these articles introduced by the terms “**Including**”, “**Include**”, “**In particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2. Liability of members**

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

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS’ POWERS AND RESPONSIBILITIES**

### **3. Directors’ general authority**

- 3.1 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.
- 3.2 The directors are required at all times to act in accordance with the SRA Principles and all other provisions contained in the SRA Handbook, and in each case as the SRA may update them from time to time, ensuring that the company acts Independently and in the best interests of its clients at all times.
- 3.3 The directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- 3.4 The directors shall ensure that the Compliance Officer for Legal Practice (COLP) of the Company has an unconditional right to review any decision made by the board of directors which in the opinion of the COLP would pose a significant risk to the company’s ability to comply with its regulatory obligations to the SRA and the directors shall Implement whatever recommendations the COLP may make in respect of that decision.

### **4. Shareholders’ reserve power**

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

### **5. Directors may delegate**

- 5.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
- 5.1.1 to such person or committee;
  - 5.1.2 by such means (Including by power of attorney);
  - 5.1.3 to such an extent;
  - 5.1.4 in relation to such matters or territories; and
  - 5.1.5 on such terms and conditions,
- as they think fit.

5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

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

## **6. 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.

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

## **DECISION-MAKING BY DIRECTORS**

### **7. Directors to take decisions collectively**

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

7.2 If:

7.2.1 At any time the company only has one director; and

7.2.2 no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

### **8. Unanimous decisions**

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

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

8.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

### **9. Calling a directors' meeting**

9.1 Any director may call a directors' meeting by giving not less than 5 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

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

9.3 Notice of any directors' meeting must indicate:

9.3.1 its proposed date and time;

9.3.2 where it is to take place; and

- 9.3.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.4 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 before or not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 9.5 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

## **10. Participation in directors' meetings**

- 10.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 10.1.1 the meeting has been called and takes place in accordance with the articles, and
- 10.1.2 they can each communicate to the others any information or opinions they have on any particular Item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 10.4 An alternate director shall be entitled to attend and vote at any such meeting at which the director appointing him is not personally present.

## **11. Quorum for directors' meetings**

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Subject to Article 11.3, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two. A person, who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these articles and accordingly the quorum for the transaction of business in these circumstances shall be one.
- 11.3 For the purposes of any meeting (or part of a meeting) held to authorise a director's conflict pursuant to article 15 (directors' conflicts of interests), if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director.

## **12. Chairing of directors' meetings**

- 12.1 The directors may appoint a director to chair their meetings.
- 12.2 The person so appointed from time to time is known as the chairman.
- 12.3 The directors may terminate the chairman's appointment at any time.



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

### **13. Casting vote**

- 13.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.
- 13.2 Article 13.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the articles, the chairman or other director chairing the meeting is not an eligible director for the purposes of that meeting (or part of a meeting).

### **14. Transactions or other arrangements with the company**

- 14.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 14.1.1 may be a party to, or otherwise Interested In, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
  - 14.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
  - 14.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
  - 14.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
  - 14.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
  - 14.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any Interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

### **15. Directors' conflicts of Interest**

- 15.1 If a Conflict Situation arises, the directors may authorise it for the purposes of section 175(4)(b) of the Act by a resolution of the directors made in accordance with that section and these Articles. At the time of the authorisation, or at any time afterwards, the directors may Impose any limitations or conditions or grant the authority subject to such terms which (In each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors.

- 15.2 Notwithstanding any other provision of these Articles, each director affected shall:
- 15.2.1 be entitled to receive papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates,
  - 15.2.2 not be excluded from those parts of director's meetings or meetings of any committee of the directors at which matters to which the Conflict relates are considered,
  - 15.2.3 be entitled to vote (and form a part of the quorum) at any such meeting,
  - 15.2.4 be entitled to give or withhold consent or give approval required by these Articles or otherwise
- 15.3 any information which he obtains, other than in his capacity as a director or employee of the Company, which is confidential in relation to an entity referred to above, need not be disclosed or used for the benefit of the Company where such disclosed or use would constitute a breach of confidence.
- 16. Records of decisions to be kept**
- 16.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
- 16.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

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

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

**APPOINTMENT OF DIRECTORS**

**18. Methods of appointing directors**

- 18.1 The Members of the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 18.2 A Controlling Shareholder may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this article 1 [●]).
- 18.3 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from a Controlling Shareholder pursuant to Article 18.2" as a new paragraph (g) at the end of that Model Article.

**19. Number of directors**

- 19.1 The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one. Whensoever the minimum number of Directors shall be one a sole Director shall have authority to exercise all the powers and discretions by these Articles expressed to be vested in the Directors generally.

- 19.2 The Directors may appoint a person willing to act to be a Director either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of directors to exceed any number determined in accordance with 19.1 above as the maximum number of directors and for the time being in force.
- 19.3 In any case where as the result of the death of a sole Member of the Company the Company has no Members and no directors the personal representatives of such deceased Member shall have the right by notice in writing to appoint a person to be director of the Company and shall appointment shall be as effective as if made by the Company in General Meeting pursuant to paragraph 19.3 of this Article.
- 19.4 The Members of the Company may by Ordinary Resolution in General Meeting remove any Director from office howsoever appointed. Any removal of a Director by Ordinary Resolution of the Members of these Articles shall become effective on the service of a copy of the said Ordinary Resolution at the Registered Office of the Company.

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

A person ceases to be a director as soon as:

- 20.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- 20.2 a bankruptcy order is made against that person;
- 20.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 20.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 20.5 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

## **21. Appointment and removal of alternate directors**

- 21.1 Any director ("**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors:
- 21.1.1 to exercise that director's powers; and
- 21.1.2 to carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 21.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.
- 21.3 The notice must:
- 21.3.1 identify the proposed alternate; and
- 21.3.2 In the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the appointor.
- 21.4 Any removal of a director pursuant to article 18.2 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

## **22. Rights and responsibilities of alternate directors**

- 22.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.
- 22.2 Except as the articles specify otherwise, an alternate director:
- 22.2.1 is deemed for all purposes to be a director;
  - 22.2.2 is liable for his own acts and omissions;
  - 22.2.3 is subject to the same restrictions as his appointor; and
  - 22.2.4 is not deemed to be the agent of or for his appointor
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- 22.3 A person who is an alternate director but not a director:
- 22.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
  - 22.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate).
- 22.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 22.5 An alternate director shall be paid expenses and shall be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

## **23. Termination of alternate directorship**

- 23.1 An alternate director's appointment as an alternate terminates:
- 23.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
  - 23.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
  - 23.1.3 on the death of the alternate's appointor; or
  - 23.1.4 when the alternate's appointor's appointment as a director terminates.

## **24. Secretary**

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

## **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:
  - 25.2.1 for their services to the company as directors, and
  - 25.2.2 for any other service which they undertake for the company.
- 25.3 Subject to the articles, a director's remuneration may:
  - 25.3.1 take any form, and
  - 25.3.2 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.
- 25.5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

## **26. Directors' expenses**

The company may pay any reasonable expenses which the directors (Including alternate directors) and the secretary properly incur in connection with their attendance at:

- 26.1 meetings of directors or committees of directors,
  - 26.2 general meetings, or
  - 26.3 separate meetings of the holders of any class of shares or of debentures of the company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

## **PART 3**

### **SHARES AND DISTRIBUTIONS**

#### **SHARES**

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

- 27.1 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.
- 27.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

## **28. Powers to Issue different classes of share**

- 28.1 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.

- 28.2 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.

**29. Company not bound by less than absolute interests**

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

**30. Share certificates**

- 30.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 30.2 Every certificate must specify:
- 30.2.1 in respect of how many shares, of what class, it is Issued;
  - 30.2.2 the nominal value of those shares;
  - 30.2.3 that the shares are fully paid; and
  - 30.2.4 any distinguishing numbers assigned to them.
- 30.3 No certificate may be Issued in respect of shares of more than one class.
- 30.4 If more than one person holds a share, only one certificate may be Issued in respect of it
- 30.5 Certificates must:
- 30.5.1 have affixed to them the company's common seal, or
  - 30.5.2 be otherwise executed in accordance with the Companies Acts.

**31. Replacement share certificates**

- 31.1 If a certificate Issued in respect of a shareholder's shares is:
- 31.1.1 damaged or defaced, or
  - 31.1.2 said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 31.2 A shareholder exercising the right to be Issued with such a replacement certificate:
- 31.2.1 may at the same time exercise the right to be Issued with a single certificate or separate certificates;
  - 31.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and
  - 31.2.3 must comply with such conditions as to evidence and Indemnity and the payment of a reasonable fee as the directors decide.

## **32. Share transfers**

- 32.1 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.
- 32.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 32.3 The company may retain any instrument of transfer which is registered.
- 32.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 32.5 The directors and/or the Company shall have no discretion to decline to register, or suspend registration of, a transfer of shares where the proposed transferee is a bank, financial institution or a trust, fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans, securities or other financial assets (or any agent, trustee, nominee or nominees or receiver of such entity) to whom such shares are being transferred by way of security or a purchaser, transferee or other recipient of the shares from such bank, institution or other entity and a certificate signed by an official of such bank, financial institution or other entity that the relevant shares are charged shall be conclusive evidence of such fact.

## **33. Transmission of shares**

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

## **34. Exercise of transmittees' rights**

- 34.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 34.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 34.3 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.

## **35. 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 or

the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 34.2 has been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **36. Procedure for declaring dividends**

- 36.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay Interim dividends.
- 36.2 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.
- 36.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 36.4 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.
- 36.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 36.6 The directors may pay at intervals any dividend payable at a fixed rate *if it* appears to them that the profits available for distribution justify the payment.
- 36.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

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

- 37.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
  - 37.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
  - 37.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
  - 37.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
  - 37.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 37.2 in the articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
  - 37.2.1 the holder of the share; or
  - 37.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or



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

### **38. No Interest on distributions**

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

- 38.1 the terms on which the share was issued, or
- 38.2 the provisions of another agreement between the holder of that share and the company.

### **39. Unclaimed distributions**

- 39.1 All dividends or other sums which are:
  - 39.1.1 payable in respect of shares, and
  - 39.1.2 unclaimed after having been declared or become payable,may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- 39.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 39.3 If:
  - 39.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
  - 39.3.2 the distribution recipient has not claimed it,the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

### **40. Non-cash distributions**

- 40.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (Including, without limitation, shares or other securities in any company).
- 40.2 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:
  - 40.2.1 fixing the value of any assets;
  - 40.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 40.2.3 vesting any assets in trustees.

#### **41. Waiver of distributions**

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

- 41.1.1 the share has more than one holder; or
- 41.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

#### **CAPITALISATION OF PROFITS**

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

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

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

42.2 Capitalised sums must be applied:

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

42.3 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.

42.4 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.

42.5 Subject to the articles the directors may:

- 42.4.1 apply capitalised sums in accordance with articles 42.3 and 42.4 partly in one way and partly in another;
- 42.4.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (Including the Issuing of fractional certificates or the making of cash payments); and
- 42.4.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## **PART 4**

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

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

##### **43. Convening general meetings**

The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Companies Acts, shall forthwith proceed to convene a general meeting in accordance with the Companies Acts.

##### **44. Notice of general meetings**

- 44.1 Every notice convening a General Meeting shall comply with the provisions of the Companies Act as to giving information to Members in regard to their right to appoint proxies and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.
- 44.2 General meetings (other than an adjourned meeting) shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than ninety five per cent (95%) in nominal value of the shares at the meeting, giving that right.
- 44.3 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.
- 44.4 Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member (if they have become a holder of such shares) and to the directors, alternate directors and the auditors from time to time of the Company.
- 44.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

##### **45. Postponement of general meetings**

If the board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone the general meeting to another date, time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be sent to all members entitled to receive notice. Notice of the business to be transacted at such postponed meeting shall not be required.

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

- 46.1 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.
- 46.2 A person is able to exercise the right to vote at a general meeting when:
  - 46.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

- 46.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 46.3 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.
- 46.4 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.
- 46.5 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.
- 47. Quorum for general meetings**
- 47.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. Subject to paragraph 53.2 below two persons entitled to vote upon the business transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.
- 47.2 If and for so long as the Company has only one Member, that Member present in person or by proxy or it that Member is a corporation by a duly authorised representative shall be a quorum,
- 47.3 If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to **[Sections 303 and 391 of the Act 1985.]**
- 47.4 Any decision taken by a sole Member pursuant to paragraph 51.3 above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.
- 48. Chairing general meetings**
- 48.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 48.2 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:
- 48.2.1 the directors present, or
- 48.2.2 (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 48.3 The person chairing a meeting in accordance with this article is referred to as **"the chairman of the meeting"**.
- 49. Attendance and speaking by directors and non-shareholders**
- 49.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

- 49.2 The chairman of the meeting may permit other persons who are not:
- 49.2.1 shareholders of the company; or
  - 49.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

## **50. Adjournment**

- 50.1 If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefore such adjourned General Meeting shall be dissolved.

## **VOTING AT GENERAL MEETINGS**

### **51. Voting: general**

- 51.1 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.
- 51.2 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an Individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share he is the holder
- 51.3 in the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and the seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 51.4 A member in respect of whom an order has been made by any court having Jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming the exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 51.5 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

### **52. Errors and disputes**

- 52.1 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.
- 52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### **53. Poll votes**

#### **53.1 A poll on a resolution may be demanded:**

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

53.1.2 at a general meeting, either before a show of hands on that resolution or Immediately after the result of a show of hands on that resolution is declared.

#### **53.2 A poll may be demanded by:**

53.2.1 the chairman of the meeting;

53.2.2 the directors;

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

53.2.4 a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

#### **53.3 A demand for a poll may be withdrawn If:**

53.3.1 the poll has not yet been taken; and

53.3.2 the chairman of the meeting consents to the withdrawal;

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

#### **53.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.**

### **54. Content of proxy notices**

#### **54.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:**

54.1.1 states the name and address of the shareholder appointing the proxy;

54.1.2 identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

54.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

54.1.4 is delivered to the company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourns meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate.

A proxy notice which is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting

#### **54.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.**

#### **54.3 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.**

#### **54.4 Unless a proxy notice indicates otherwise, it must be treated as:**

54.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

- 54.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **55. Delivery of proxy notices**

- 55.1 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.
- 55.2 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.
- 55.3 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.
- 55.4 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.

## **56. Amendments to resolutions**

- 56.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 56.1.1 (notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
- 56.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 56.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 56.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- 56.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 56.3 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**

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

- 57.1 Any notice, document or other information shall be deemed served on or delivered to the Intended recipient:
- 57.1.1 If properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom

to an address within the United Kingdom, if (in each case) sent by reputable International overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

57.1.2 If properly addressed and delivered by hand, when it was given or left at the appropriate address;

57.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

57.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

## **58. Company seals**

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

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

58.3 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.

58.4 For the purposes of this article, an authorised person is

58.4.1 any director of the company;

58.4.2 the company secretary (if any); or

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

## **59. No right to Inspect accounts and other records**

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

## **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. Notices**

61.1 The Company may give notice to any member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice shall be sufficient notice to all the joint holders.



- 61.2 A notice may be given by the Company to any member of other persons entitled to a share in consequence of the death or bankruptcy of a member by hand, by post, by courier or by telegraphic, telex or facsimile communication.
- 61.3 All notices to be given pursuant to these Articles shall be deemed to be given as follows: if notice is given by hand or by courier such notice shall be deemed to be given when delivered, if notice is given by first-class post to an addressee within the United Kingdom, such notice shall be deemed to be given at the expiration of seven days, in each case, after the envelope containing it was posted, and if notice is given by telegraphic, telex or facsimile communication, such notice shall be deemed to be given upon telephone or machine-based confirmation of receipt.
- 61.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that notice was given.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **62. Indemnity**

- 62.1 Subject to article 62.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 62.1.1 each relevant officer shall be Indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
  - (b) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),
- Including (In each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application *in which* the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and
- 62.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 62.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 62.2 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.
- 62.3 In this article companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

### **63. Insurance**

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

63.2 In this article:

63.2.1 a “**relevant loss**” means any loss or liability which has been or may be Incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company; and

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