

WRITTEN RESOLUTION OF SHAREHOLDERS

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

NHS PROPERTY SERVICES LIMITED

(a company registered in England no 7888110)

Circulation Date: 19th September 2012

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 the directors of the Company propose that the resolution below is hereby passed as a special resolution ("the Resolution")

SPECIAL RESOLUTION

- 1 That the articles of association attached to this written resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

Please read the notes at the end of this document before signifying your agreement to the special resolution

We, the undersigned, being persons entitled to vote on the above resolution on the circulation date set out at the beginning of this document, hereby irrevocably agree to the special resolution

SIGNED for and on
behalf of **Secretary of State**
for **Health**

PAWAK
.....

Dated 19th September 2012

written resolution



- 1 If you agree to the resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by hand to Simon Holden at 4th Floor Skipton House, 80 London Road London SE1 6LH
- 2 If you do not agree to the resolution, you do not need to do anything, you will not be deemed to agree if you fail to reply.
- 3 Once you have indicated your agreement to the resolution, you may not revoke your agreement
- 4 Unless, by 28 days from the circulation date above, sufficient agreement has been received for the resolution to pass, it will lapse. If you agree to the resolution, please ensure that your agreement reaches us before or on this date
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

PAZ

No 0788110

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NHS PROPERTY SERVICES LIMITED

(As adopted by Special Resolution passed on 19th SEPT] 2012)

PART 1

PRELIMINARY

1 Defined terms

1 1 In these Articles, unless the context requires otherwise

alternate or alternate director has the meaning given in Articles 23-26,

appointor has the meaning given in Article 23,

Articles means these Articles of Association as originally adopted or altered or varied from time to time (and **Article** means one of these Articles),

authenticated has the meaning given in section 1146 CA 2006,

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

Board means the board of Directors for the time being of the Company or the Directors present or deemed to be present at a duly convened meeting of Directors at which a quorum is present,

Board Meeting means a meeting of the Board as from time to time convened in accordance with these Articles,

Business Plan means the business plan of the Company from time to time

CA 2006 means the Companies Act 2006 (to the extent for the time being in force),

call or call notice have the meanings given in Article 34,

chairman has the meaning given in Article 13,

chairman of the meeting has the meaning given in Article 60,

clear days in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

Company's lien has the meaning given in Article 32,

a **conflict of interest** includes a conflict of interest and duty and a conflict of duties,

Companies Acts means the Companies Acts (as defined in section 2 CA 2006), in so far as they apply to the Company,

decision-making process includes a Directors' meeting or part of a Directors' meeting,

Delegated Authorities means the delegated authorities for the Company as approved by the shareholder 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 50,

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

electronic form has the meaning given in section 1168 CA 2006,

eligible Director means a Director who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any Director whose vote is not to be counted in respect of the particular matter)

Environmental Information Regulations means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government Department in relation to such regulations

FOIA means the Freedom of Information Act 2000 and any subordinate legislation (as defined in section 84 of the Freedom of Information Act 2000) made under the Freedom of Information Act 2000 from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government Department in relation to such Act

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

hard copy form has the meaning given in section 1168 CA 2006,

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

Information has the meaning given under section 84 of the Freedom of Information Act 2000,

instrument means a document in hard copy form,

an **interest** means a direct or an indirect interest and **interested** shall be construed accordingly,

lien enforcement notice has the meaning given in Article 33,

Office means the registered office for the time being of the Company,

partly paid in relation to a share, means that part of the nominal value or any premium to be paid to the Company in respect of the share has not been paid to the Company,

paid means paid or credited as paid,

participate, in relation to a directors' meeting, has the meaning given in Article 12,

proxy notice has the meaning given in Article 67,

Requests for Information shall have the meaning set out in the FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term "request" shall apply),

Secretary means the secretary (if any) of the Company or any other person (if any) appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary and references to the Secretary shall only apply for as long as the Company elects to have a secretary,

Secretary of State means the Secretary of State for Health or any senior civil servant, acting with the Secretary of State's authority,

Secretary of State Director means a Director appointed pursuant to Article 19,

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 CA 2006,

subsidiary has the meaning given in section 1159 CA 2006, and in interpreting section 1159 CA 2006 for the purposes of these Articles, a company is to be treated as a member of a subsidiary even if its shares are registered in the name of (a) a nominee, or (b) any party holding security over those shares, or that secured party's nominee,

a transaction or arrangement means an actual or a proposed transaction or arrangement, and

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

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

- 1 2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the CA 2006 as in force on the date when these Articles become binding on the Company

2 Exclusion of Model Articles

No articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the Articles

3 Limited Liability and Objects

- 3 1 The liability of the shareholders is limited to the amount, if any, unpaid on their shares
- 3 2 The objects for which the Company is incorporated are to carry business as a general commercial company and without prejudice to the generality of the foregoing
- 3 2 1 to employ the funds of the Company in the development and expansion of the business of the Company and all or any of its Associated Companies and in any other company whether now existing or hereafter to be formed and engaged in any like business of the Company or any of its Associated Companies or of any other industry ancillary thereto or which can conveniently be carried on in connection therewith,

- 3 2 2 to co-ordinate the administration, policies, management, supervision, control, research, development, planning, manufacture, trading and any and all other activities of, and to act as financial advisers and consultants to, any company or companies or group of companies now or hereafter become related or associated in any way with the Company or with any company related or associated therewith and either without remuneration or on such terms as to remuneration as may be agreed,
- 3 2 3 to become surety for or guarantee the carrying out and performance of any and all contracts, leases and obligations of every kind, of any company any of whose shares or evidence of indebtedness are at any time held by or for the Company or in which the Company is interested or with which it is associated, and to do any acts or things designed to protect, preserve, improve or enhance the value of any such shares or evidence of indebtedness,
- 3 2 4 to organise, incorporate, reorganise, finance, aid and assist, financially or otherwise, companies and to underwrite or guarantee the subscription of shares, securities or notes of any kind, and to make and carry into effect arrangements for the issue, underwriting, resale, exchange or distribution thereof,
- 3 2 5 to carry on the business of land and property developers of every and any description and to acquire by purchase, lease, concession, grant, licence or otherwise such lands, buildings, leases, underleases, rights, privileges, stocks, shares, and debentures in companies, policies of insurance and other such property as the Company may deem fit and shall acquire the same for the purposes of investment and development and with a view to receiving the income therefrom, and to enter into any contracts and other arrangements of all kinds with persons having dealings with the Company on such terms and for such periods of time as the Company may from time to time determine, on a commission or fee basis or otherwise, and to carry on any other trade or business, whatever, of a like and similar nature,
- 3 2 6 to act as trustee of any kind including trustee of any deeds constituting or securing any debentures, debenture stock or other securities or obligations and to undertake and execute any trust or trust business (including the business of acting as trustee under wills and settlements), and to do anything that may be necessary or desirable or assist in the obtaining of any benefit under the estate of an individual, and also to undertake the office of executor, administrator, secretary, treasurer or registrar or to become manager of any business, and to keep any register or undertake any registration duties, whether in relation to securities or otherwise,
- 3 2 7 to provide technical, cultural, artistic, educational, entertainment or business material, facilities or services and to carry on any business involving any such provision,
- 3 2 8 to carry on the business of commission agents, factors, general merchants and dealers in every description of goods, exporters and importers, concessionaires, wholesale and retail traders, carriers, warehousemen, designers, advertising contractors or agents, or trustees, brokers or agents of any person,
- 3 2 9 to manufacture, develop, process, refine, repair, purchase, sell, export, import, deal in or let on hire all kinds of goods, substances, articles, services and material (tangible or intangible) of any kind which may be advantageous to the Company or which any of the customers or other companies having dealings with the Company may from time to time require,
- 3 2 10 to provide services of any kind including the carrying on of advisory, consultancy, brokerage and agency business of any kind,
- 3 2 11 to carry on any other business, trade or activity which is carried on by an Associated Company or which can, in the opinion of the directors of the Company, be conveniently or advantageously carried on by the Company in connection or in conjunction with, or as ancillary to, any business, trade or activity which the Company is for the time being authorised to carry on or which is, in the opinion of the directors of the Company, calculated directly or indirectly to enhance the value of, or render profitable, any property, assets or rights of the Company or otherwise to advance the interests of the Company,

- 3 2 12 to purchase, take on lease or in exchange, hire, renew, or otherwise acquire and hold for any estate or interest, and to sell, let or otherwise dispose of in whole or in part, any lands, buildings, machinery, rights, stock-in-trade, business concerns, choses in action, and any other real and personal property of any kind including all of the assets of the Company and to perform any services or render any consideration and to construct, equip, alter and maintain any buildings, works and machinery necessary or convenient for the Company's business and in each case for any consideration which may be thought fit,
- 3 2 13 to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, service marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account, manufacture under, or grant licences or privileges in respect of, the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire,
- 3 2 14 to acquire or undertake the whole or any part of the business, goodwill, and assets of any person carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person or for subsidising or otherwise assisting any such person, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received,
- 3 2 15 to sell, improve, repair, manage, develop, turn to account, exchange or let on rent, grant royalty, share of profits or otherwise, or grant licences, easements or other rights in, or over, and in any manner deal with, or dispose of, either together or in portions, the whole or any part or parts of the undertaking, property and assets of the Company for such consideration, and on such terms, as the directors may think fit including (but not limited to) shares, debentures or other securities of the person acquiring the same,
- 3 2 16 to invest and deal with the moneys of the Company not immediately required in such manner as the directors may from time to time determine, and to hold or otherwise deal with any investments made and to receive any moneys or securities on deposit or loan on such terms as the directors may think fit,
- 3 2 17 in any manner, and whether or not done with a view to the attainment of, or in connection with, any other object of the Company or the receipt by the Company of any direct or indirect consideration or advantage, to lend or advance money, or give credit to, or enter into any kind of guarantee, indemnity or suretyship for the payment or repayment of any money by, or the performance of any obligation of, or the discharge of any liability (whether present or future, actual or contingent) of, any person including (but not limited to) any Associated Company,
- 3 2 18 to borrow or raise money in such manner as the directors may think fit for the purposes of, or in connection with, the business of the Company or of any other person including (but not limited to) any Associated Company, and for the purposes of, or in connection with, the borrowing or raising of money by the Company, to become a member of any building society,
- 3 2 19 for the purposes of, or in connection with, the business of the Company or any other person including (but not limited to) any Associated Company, to mortgage or charge or give any security over the whole or any part or parts of the present and future undertaking, property and assets of the Company (including its uncalled capital for the time being) and to issue at par, or at a premium or discount, and for such consideration and with, and subject to, such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurances To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal

amount of such securities, or otherwise by way of security for the performance of any obligation of the Company,

- 3 2 20 to draw, make, accept, endorse, discount, negotiate, execute or issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and any other negotiable or transferable instruments,
- 3 2 21 to apply for, promote, and obtain any Act of Parliament, order or licence of the Secretary of State or other authority for enabling the Company or any Associated Company to carry any of its objects into effect, or for effecting any modification of its constitution, or for any other purpose which may seem to the directors calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem directly or indirectly to prejudice the interests of the Company or any other person including (but not limited to) any Associated Company,
- 3 2 22 to enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions,
- 3 2 23 to subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place, underwrite and exercise and enforce all rights and powers conferred by or incidental to the ownership of shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other person constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world,
- 3 2 24 to the extent permitted by law, to give any form of financial assistance directly or indirectly for the purpose of or in connection with an acquisition of shares in the Company or a holding company of the Company, or for the purpose of, or in connection with the reduction or discharge of any liability incurred by any person in connection with such an acquisition,
- 3 2 25 to control, manage, finance, subsidise, co-ordinate or otherwise assist any company in which the Company has a direct or indirect financial interest including (but not limited to) any Associated Company and to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company,
- 3 2 26 to promote any other company for the purpose of acquiring the whole or any part of the undertaking, business, property, assets or any liabilities, of the Company, or of undertaking any business or operations which may appear to the directors likely to assist or benefit the Company or any Associated Company or to enhance the value of the whole or any part or parts of the undertaking, property, assets or business of the Company or any Associated Company and to place, or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company,
- 3 2 27 to act as agent, broker or trustee for any person, firm or company, and to undertake and perform sub- contracts,
- 3 2 28 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company or any Associated Company, or to contract with any person to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares or other securities of the Company or any Associated Company,
- 3 2 29 to establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments, to any

persons who are or were at any time in the employment or service of the Company or any Associated Company, or who are, or were at any time directors or officers of the Company or of any Associated Company or who were and are the wives, widows, families or dependants of any such persons, and also to establish and subsidise, or subscribe to, any institution, association, club or fund calculated to be for the benefit of or to advance the interests and well-being of the Company or of any Associated Company, or of any such persons, and to make payments for, or towards, the insurance of any such persons, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object, and to do any of the foregoing either alone, or in conjunction with any other person including (but not limited to) any Associated Company. In this paragraph "Associated Company" includes the predecessors in business of any Associated Company,

- 3 2 30 to pay for any property or rights acquired by the Company or remunerate any person rendering services to the Company, either in cash or by the allotment of any fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by the issue of any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the directors may determine,
- 3 2 31 to accept payment for any property or rights sold or otherwise disposed of, or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares or security of any person, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any person, or partly in one mode and partly in another, and generally on such terms as the directors may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired,
- 3 2 32 to distribute among the members of the Company in kind any property of the Company of whatever nature,
- 3 2 33 to procure the Company to be registered or recognised in any part of the world,
- 3 2 34 to do all or any of the above things in any part of the world and as principal, agent, trustee, contractor or otherwise and either alone or in conjunction with others and either by or through agents, trustees, sub-contractors or otherwise,
- 3 2 35 to do all such other things as may in the opinion of the directors be deemed incidental to, or conducive to the attainment of, the above objects or any of them, and
- 3 2 36 in this clause 3 2
 - (i) the objects set forth in each sub-clause shall not be restrictively construed but the widest interpretation shall be given thereto. None of the objects specified in any sub-clause shall (except where expressly so provided) be in any way limited or restricted by reference to, or inference from, any other object or objects specified in the same or any other sub-clause or the terms of any other subclause or the name of the Company. None of the sub-clauses or the object or objects specified therein or the powers conferred thereby shall be deemed subsidiary or ancillary to any other sub-clause or any other objects specified in the same sub-clause or to any power conferred thereby or to any object specified in or power conferred by any other sub-clause. Each sub-clause shall be deemed to specify objects of the Company and the Company shall have full power and capacity to exercise any power conferred by, and to achieve, or endeavour to achieve, all or any of the objects specified in any sub-clause as if the objects specified in each sub-clause were specified in a separate sub-clause and each sub-clause specified the objects of a separate and distinct company,
 - (ii) the word "person" includes any individual, company, corporation, firm, partnership, or body or association of persons domiciled in any part of the World and either incorporated or unincorporated and any legal person,

- (iii) the word "property" includes property of every kind, whether real or personal, moveable or immovable, tangible or intangible or otherwise, in any part of the World and all rights and privileges in, or over, such property,
- (iv) the words "Associated Company" mean any subsidiary or holding company of the Company or any subsidiary of any holding company of the Company or any other company in which the Company, or any such subsidiary or holding company, is directly or indirectly interested,
- (v) the words "holding company" and "subsidiary" have the meanings ascribed by section 1159 CA 2006, and in interpreting section 1159 CA 2006 for the purposes of these Articles, a company is to be treated as a member of a subsidiary even if its shares are registered in the name of (a) a nominee, or (b) any party holding security over those shares, or that secured party's nominee,
- (vi) the words "and" and "or" shall mean "and/or", and
- (vii) the words "other" and "otherwise" shall not be construed eiusdem generis where a wider construction is possible

PART 2

DIRECTORS

DIRECTORS POWERS AND RESPONSIBILITIES

4 Directors' general authority

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

5 Shareholder and Secretary of States' reserve power

- 5 1 The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action
- 5 2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution
- 5 3 Notwithstanding the above, the Directors may not exercise any of the following without the prior written approval of the shareholder

5 3 1 Constitutional and share structure

- (a) Any amendment to these Articles or the adoption of new articles of association of the Company
- (b) The creation, allotment or issue of any shares or the grant or agreement to grant any option or interest (in the form of obligations convertible into shares or otherwise) over any shares or any uncalled capital of the Company
- (c) The consolidation, sub-division, conversion or cancellation of any share capital of the Company
- (d) The capitalisation, repayment or other form of distribution of any amount standing to the credit of any reserve of the Company or the redemption or purchase of any of its own shares or any other reorganisation or reduction of its share capital (excluding for these purposes the payment of any dividend)

- (e) The repayment of capital or assets to shareholders of the Company
- (f) The passing of any resolution (whether pursuant to Part 7 CA 2006 or otherwise) whereby the classification or status of the Company may change
- (g) The making of any petition or passing of any resolution for winding-up the Company
- (h) The making of or any arrangement with creditors generally or any application for an administration order or for the appointment of a receiver or administrator
- (i) The passing of any shareholder resolution of the Company

5 3 2 **Conduct of the Business**

- (a) Any material change in the nature or scope of the objects of the Company, as set out above at Article 3 2, including the introduction or discontinuance of any field of activity and the relocation or expansion of the business of the Company, or the commencement of any new business not being ancillary or incidental to such business
- (b) The adoption of the Business Plan or making any changes to the Business Plan
- (c) The adoption or amending of the Company's Delegated Authorities
- (d) The carrying on of any business outside the United Kingdom save as in the ordinary course of business
- (e) Entering into any contract or arrangement that is other than in the furtherance of health and social care and/or may bring the Secretary of State into disrepute
- (f) The acquisition of any shares or other interest in, or making of any investment in, another company or business, or the incorporation of any subsidiary
- (g) Otherwise than disclosed and approved in the Business Plan, the participation by the Company in any partnership or joint venture (incorporated or not), or any revenue sharing or profit sharing agreement
- (h) The amalgamation or merger of the Company with any other company or legal entity
- (i) The closing down of any substantial business operation or the disposal or dilution of its interest in any of its subsidiaries for the time being
- (j) Save as set out in the Business Plan or the Delegated Authorities entering into, terminating or varying any contract or arrangement
 - (i) outside the normal course of business, or
 - (ii) which is otherwise than on arm's length terms (and whether legally binding or not)

5 3 3 **Financial matters**

- (a) In accordance with section 510 CA 2006, any change or removal of auditors of the Company
- (b) The declaration or payment of any dividend or the declaration or making of any other distribution
- (c) The giving of any guarantee, indemnity or other security outside the ordinary course of business

- (d) The entering into of any financing transactions or transactions that can be regarded as financing transactions (for example sale and leaseback arrangements)

5 3 4 Directors and employees

- (a) The appointment to office or the removal from office of any Director
- (b) The fixing or payment of the remuneration of any Director or provision of benefits of any nature whatsoever to any Director, former Director or any associate of any Director or former Director
- (c) The making of any provision for the benefit of any persons which is permitted by section 247 CA 2006
- (d) The establishment or amendment of any pension scheme, or an increase in the amount of contributions to any Director or former Director or any member of any such person's family
- (e) The grant of any pension rights to any Director or former Director or any member of any such person's family
- (f) The establishment or amendment of any profit-sharing, share option, bonus or other incentive scheme of any nature for directors or employees, or any increase in the amount of contributions thereto
- (g) The appointment or removal or any change in the scope of authority of any Director

5 4 Notwithstanding the above, save as set out in the Business Plan, the Directors may not exercise the following without the prior written approval of the Secretary of State

- 5 4 1 Entering into any service agreement with any Director or senior employee (being an employee whose total remuneration from the Company is in excess of £100,000 per annum) or the variation of the terms of service of a Director or senior employee or any appointment or dismissal of any such person as an employee

6 Directors may delegate

- 6 1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles to such person or committee, by such means (including by power of attorney), to such an extent, in relation to such matters or territories and on such terms and conditions as they think fit
- 6 2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated
- 6 3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

7 Committees

- 7 1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors
- 7 2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them

DECISION MAKING BY DIRECTORS

8 Directors to take decisions collectively

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 9

9 Unanimous decisions

- 9 1 A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter
- 9 2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing
- 9 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

10 Calling a Directors' meeting

- 10 1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Secretary (if any) to give such notice
- 10 2 Notice of any Directors' meeting must indicate its proposed date and time, where it is to take place and, if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting
- 10 3 Notice of a Directors' meeting must be given to each Director, but need not be in writing
- 10 4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

11 Participation in Directors' meeting

- 11 1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with these Articles and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- 11 2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other
- 11 3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is. If they do not so decide, such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman is

12 Quorum for Directors' meetings

- 12 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 12 2 The quorum for Directors' meetings shall be three Directors one of whom shall be the Secretary of State Director

13 Chairing of Directors' meetings

- 13 1 The Directors may appoint a Director to chair their meetings
- 13 2 The person so appointed for the time being is known as the chairman
- 13 3 The Directors may terminate the chairman's appointment at any time
- 13 4 If the chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it

14 Casting vote

- 14 1 If the numbers of votes for and against a proposal are equal, the chairman or other Director chairing the meeting has a casting vote
- 14 2 But this does not apply if, in accordance with these Articles, the chairman or other Director is not an eligible Director

15 Conflicts of Interest

- 15 1 Subject to the provisions of the Companies Acts and to complying with Article 15 2, a Director notwithstanding his office
 - 15 1 1 may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested or in which any Company which has an interest in the Company is interested,
 - 15 1 2 may hold any other office or place of profit under the Company (except that of auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article,
 - 15 1 3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any Company promoted by the Company or in which the Company is otherwise interested or which has an interest in the Company, and
 - 15 1 4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate, no such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty under the Companies Acts or under the law not to accept benefits from third parties
- 15 2 Subject to Article 15 3, a Director shall declare the nature and extent of any interest permitted under this Article at a meeting of the Directors, or, in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Acts
- 15 3 A Director need not declare an interest in the case of a transaction or arrangement with the Company
 - 15 3 1 if, or to the extent that, the other Directors are already aware of the interest (and for this purpose the other Directors will be treated as aware of anything of which they ought reasonably to be aware), or
 - 15 3 2 if, or to the extent that, it concerns the terms of his service contract (as defined in section 227 CA 2006) that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles

- 15 4 Where the existence of a Director's relationship with another person is authorised by the Board pursuant to the Companies Acts (and subject to any limits or conditions imposed by the Board) or if Article 15 1 applies to the relationship, the Director shall not be in breach of the general duties he owes to the Company under the Companies Acts because he
- 15 4 1 absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise,
- 15 4 2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or makes arrangements for such documents and information to be received and read by a professional adviser, or
- 15 4 3 fails to disclose to the Board or to any Director or other officer or employee of the Company any information which he obtains otherwise than as a Director and in respect of which he has a duty of confidentiality to another person, and/or fails to use or apply any such information in performing his duties as a Director
- 15 5 Subject to these Articles, the Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the Directors or any of them as Directors or officers of the other company or in favour of the payment of remuneration to the Directors or officers of the other company), and a Director may vote on and be counted in the quorum in relation to any of these matters
- 15 6 Except as otherwise provided in these Articles, a Director is to be counted as participating in the decision-making process for quorum or voting purposes on a proposed decision of the Directors which is concerned with an actual or proposed transaction or arrangement with the Company in which that Director is interested
- 15 7 A Director who is interested in a transaction or arrangement with the Company in relation to the Director's own appointment to office or employment with the Company, or the variation of the terms thereof, or termination of his appointment or employment, is not to be counted as participating in the decision-making process, and is not entitled to vote on or agree to a proposal relating to it
- 15 8 The Company may by ordinary resolution disapply the provision of these Articles which would otherwise prevent a Director from being counted as participating in the decision-making process
- 15 9 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting
- 15 10 Subject to Article 15 11, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive
- 15 11 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

16 Records of decisions to be kept

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

17 Directors' discretion to make further rules

Subject to these 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 Any person who is willing to act as a Director and is permitted by law to do so may be appointed to be a Director by an instrument in writing pursuant to Article 20 2 provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors
- 18 2 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be more than eleven and shall not be less than two

19 Secretary of State Director

- 19 1 Notwithstanding any other provisions of these Articles, the Secretary of State shall be entitled by notice in writing to the Company to appoint as non-executive director of the Company one person (the "**Secretary of State Director**") and at any time and from time to time to remove from office in like manner such person so appointed and to appoint another person in his place (such appointment, replacement or removal to have effect otherwise as set out in such notice) The reasonable expenses of the Secretary of State Director in carrying out his role as Director shall be payable by the Company

20 Termination of Director's appointment

- 20 1 A person ceases to be a Director as soon as
 - 20 1 1 that person ceases to be a Director by virtue of any provision of the CA 2006 or is prohibited from being a director by law,
 - 20 1 2 a bankruptcy order is made against that person,
 - 20 1 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,
 - 20 1 4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
 - 20 1 5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
 - 20 1 6 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms,
 - 20 1 7 he is removed from office pursuant to Article 20 2
- 20 2 Without prejudice to the powers of the Company under section 168 CA 2006 to remove a Director by ordinary resolution, a shareholder or shareholders who for the time being hold(s) more than one half of the issued ordinary shares shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors and to remove from office any Director howsoever appointed Any such appointment or removal shall be effected by an instrument in writing authenticated by the shareholder or shareholders making the same or (in the case of a

shareholder being a corporation) authenticated on its behalf by one of its directors or its secretary and shall take effect when received at the Office

21 Directors' remuneration

- 21 1 Subject to these Articles, Directors may undertake any services for the Company that the Directors decide
- 21 2 Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors and for any other service which they undertake for the Company
- 21 3 Subject to these Articles, a Director's remuneration may take any form and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director
- 21 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

22 Directors' expenses

- 22 1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at meetings of Directors or committees of Directors, at general meetings, at separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

ALTERNATE DIRECTORS

23 Appointment and removal of alternate directors

- 23 1 Any Director (the **appointor**) may appoint as an alternate any other Director or any other person to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's appointor
- 23 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, and delivered to the Office
- 23 3 The notice must identify the proposed alternate and, 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 Director giving the notice

24 Rights and responsibilities of alternate directors

- 24 1 An alternate director has the same rights, in relation to any decision of the Directors, as the alternate's appointor
- 24 2 Except as these Articles specify otherwise, alternate directors are liable for their own acts and omissions, are subject to the same restrictions as their appointors, shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which their appointors are members but are not deemed to be agents of or for their appointors and are not deemed to be Directors
- 24 3 A person who is an alternate director but not a Director
 - 24 3 1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
 - 24 3 2 may authenticate a written resolution (but only if it is not authenticated or to be authenticated by that person's appointor)

24 3 3 No alternate may be counted as more than one Director for such purposes

24 4 An alternate director is entitled to be repaid expenses to the same extent as if he were a Director but is not 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

25 Alternate directors voting at Directors' meetings

A Director who is also an alternate director has an additional vote on behalf of each appointor who is not participating in a Directors' meeting and who would have been entitled to vote if he was participating in it

26 Termination of alternate directorship

26 1 An alternate director's appointment as an alternate terminates

26 1 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

26 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,

26 1 3 on the death of the alternate's appointor, or

26 1 4 when the alternate's appointor's appointment as a Director terminates

PART 3 SHARES AND DISTRIBUTIONS SHARES

27 Share issues

27 1 Subject to Article 5 3 1, the Directors shall have full power under section 550 CA 2006 to allot shares, to grant rights to subscribe for shares and to convert any security into shares

27 2 Subject to these Articles, the Directors may exercise any power of the Company to allot shares as if section 561 CA 2006 did not apply to the allotment, or to grant rights to subscribe for or to convert any security into shares

28 Powers to issue different classes of share

28 1 Subject to these 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 shareholder, 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 these 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 in respect of how many shares, and of what class, it is issued, the nominal value of those shares and 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 have affixed to them the Company's common seal or be otherwise executed in accordance with the CA 2006

31 Replacement share certificates

- 31 1 If a certificate issued in respect of a shareholder's shares is damaged or defaced or 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 may at the same time exercise the right to be issued with a single certificate or separate certificates, must return the certificate which is to be replaced to the Company if it is damaged or defaced and must comply with such conditions as to evidence, indemnity and the payment of reasonable expenses

32 Company's lien over shares

- 32 1 The Company has a lien (the **Company's lien**) over every share (whether or not fully paid) for any indebtedness or other liability to the Company of any shareholder (whether the shareholder is the sole or joint holder of the share), whether payable immediately or at some time in the future and, in the case of a partly paid share, whether or not a call notice has been sent in respect of it
- 32 2 The Company's lien over a share takes priority over any third party's interest in that share and extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share
- 32 3 The Directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part

33 Enforcement of the Company's lien

- 33 1 Subject to the provisions of this Article, if a lien enforcement notice has been given in respect of a share and the person to whom the notice was given has failed to comply with it, the Company may sell that share in such manner as the Directors decide
- 33 2 A lien enforcement notice may only be given in respect of a share which is subject to the Company's lien, must specify the share concerned, must require payment of the sum payable within 14 days of the notice, must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise and must state the Company's intention to sell the share if the notice is not complied with
- 33 3 Where shares are sold under this Article, the Directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, the transferee is not bound to see to the application of the consideration and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 33 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

33 4 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,

33 4 2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice

33 5 A statutory declaration by a Director or the Secretary (if any) that the declarant is a Director or the Secretary and that a share has been sold to satisfy the Company's lien on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and, subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

34 Call notices

34 1 Subject to these Articles and the terms on which shares are allotted, the Directors may send a notice (a **call notice**) to a shareholder requiring the shareholder to pay the Company a specified sum of money (a **call**) which is payable in respect of shares which that shareholder holds at the date when the Directors decide to send the call notice

34 2 A call notice may not require a shareholder to pay a call which exceeds the total sum unpaid on that shareholder's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium), must state when and how any call to which it relates it is to be paid and may permit or require the call to be paid by instalments

34 3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 days have passed since the notice was sent

34 4 Before the Company has received any call due under a call notice the Directors may, by a further notice in writing to the shareholder in respect of whose shares the call is made, revoke it wholly or in part or specify a later time for payment than is specified in the call notice

35 Liability to pay calls

35 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

35 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

35 3 Subject to the terms on which shares are allotted, the Directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times

36 Failure to comply with call notice: automatic consequences

36 1 If a person is liable to pay a call and fails to do so by the call payment date the Directors may issue a notice of intended forfeiture to that person and, until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate

36 2 For the purposes of this Article

36 2 1 the **call payment date** is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the **call payment date** is that later date,

36 2 2 the relevant rate is

- (a) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Directors, or
- (c) if no rate is fixed in either of these ways, the appropriate rate (as defined by CA 2006)

36 3 The Directors may waive any obligation to pay interest on a call wholly or in part

37 When call notice need not be issued

37 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium) on allotment, on the occurrence of a particular event or on a date fixed by or in accordance with the terms of issue

37 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

38 Notice of intended forfeiture

A notice of intended forfeiture may be sent in respect of any share in respect of which a call has not been paid as required by a call notice, must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice, must state how the payment is to be made and must state that, if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

39 Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

40 Effect of forfeiture

40 1 Subject to these Articles, the forfeiture of a share extinguishes all interests in that share, all claims and demands against the Company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company

40 2 Any share which is forfeited in accordance with these Articles is deemed to have been forfeited when the Directors decide that it is forfeited, is deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of as the Directors think fit

40 3 If a person's shares have been forfeited

40 3 1 the Company must send that person notice that forfeiture has occurred and record it in the register of shareholders,

40 3 2 that person ceases to be a shareholder in respect of those shares,

- 40 3 3 that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- 40 3 4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- 40 3 5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 40 4 At any time before the Company disposes of a forfeited share, the Directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit

41 Procedure following forfeiture

- 41 1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer
- 41 2 A statutory declaration by a Director or the Secretary (if any) that the declarant is a Director or the Secretary and that a share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and, subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share
- 41 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- 41 4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission and excluding any amount which was, or would have become, payable and had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

42 Surrender of shares

- 42 1 A member may surrender any share in respect of which the Directors may issue a notice of intended forfeiture or which the Directors may forfeit or which has been forfeited
- 42 2 The Directors may accept the surrender of any such share
- 42 3 The effect of surrender on a share is the same as the effect of forfeiture on that share

A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

43 Share transfers

- 43 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 and, unless the share is fully paid, by or on behalf of the transferee
- 43 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

- 43 3 The Company may retain any instrument of transfer which is registered
- 43 4 The transferor remains the holder of a share until the transferee's name is entered in the register of shareholders as holder of it
- 43 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

44 Transmission of shares

- 44 1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share
- 44 2 Nothing in these Articles releases the estate of a deceased or bankrupt shareholder from any liability in respect of a share solely or jointly held by that shareholder
- 44 3 A transmittee who produces such evidence of entitlement to shares as the Directors may properly require may, subject to these Articles, choose either to become the holder of those shares or to have them transferred to another person and, subject to these Articles and pending any transfer of the shares to another person, has the same rights as the holder had
- 44 4 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

45 Exercise of transmittees' rights

- 45 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
- 45 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
- 45 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

46 Transmittees bound by prior notices

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

47 Procedure for disposing of fractions of shares

- 47 1 This Article applies where there has been a consolidation or division of shares and, as a result, shareholders are entitled to fractions of shares
- 47 2 The Directors may sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser and distribute the net proceeds of sale in due proportion among the holders of the shares
- 47 3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

- 47 4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions
- 47 5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

DISTRIBUTIONS

48 Procedure for declaring dividends

- 48 1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends
- 48 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
- 48 3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- 48 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
- 48 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
- 48 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
- 48 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

49 Calculation of dividends

- 49 1 Except as otherwise provided by these Articles or the rights attached to shares, all dividends must be declared and paid according to the amounts paid up on the shares on which the dividend is paid and apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid
- 49 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 49 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount

50 Payment of dividends and other distributions

- 50 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
- 50 1 1 transfer to a bank or building society account specified by the distribution recipient either in writing,

- 50 1 2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing,
- 50 1 3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing, or
- 50 1 4 any other means of payment as the Directors agree with the distribution recipient either in writing
- 50 2 In these Articles, the **distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable, the holder of the share or, if the share has two or more joint holders, whichever of them is named first in the register of shareholders or, if the holder is no longer entitled to the share by reason of death, bankruptcy or otherwise by operation of law, the transmittee

51 Deductions from distributions in respect of sums owed to the Company

- 51 1 If a share is subject to the company's lien, and the Directors are entitled to issue a lien enforcement notice in respect of it, they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company to the extent that they are entitled to require payment under a lien enforcement notice
- 51 2 The Company must notify the distribution recipient in writing of
 - 51 2 1 the fact and amount of any such deduction,
 - 51 2 2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
 - 51 2 3 how the money deducted has been applied

52 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 the terms on which the share was issued or the provisions of another agreement between the holder of that share and the Company

53 Unclaimed distributions

- 53 1 All dividends or other sums which are payable in respect of shares and unclaimed after having been declared or become payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed
- 53 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
- 53 3 If twelve years have passed from the date on which a dividend or other sum became due for payment and 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

54 Non-cash distributions

- 54 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)

- 54 2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution, fixing the value of any assets, paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients and vesting any assets in trustees

55 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 the share has more than one holder or more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

56 Capitalisation of profits

- 56 1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution
- 56 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
- 56 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
- 56 2 Capitalised sums must be applied on behalf of the persons entitled and in the same proportions as a dividend would have been distributed to them
- 56 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
- 56 4 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any amounts unpaid on existing shares held by the persons entitled or 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
- 56 5 Subject to these Articles the Directors may
- 56 5 1 apply capitalised sums in accordance with Articles 56 3 and 56 4 partly in one way and partly in another,
- 56 5 2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments), and
- 56 5 3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article

PART 4 DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS

57 Shareholders can call general meeting if not enough Directors

- 57 1 If the Company has insufficient Directors to call a general meeting and the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so, then any shareholder may call a general meeting (or instruct the Secretary (if any) to do so) for the purpose of appointing one or more Directors
- 57 2 Article 57 1 does not apply if there is only one Director

58 Attendance and speaking at general meetings

- 58 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
- 58 2 A person is able to exercise the right to vote at a general meeting when that person is able to vote, during the meeting, on resolutions put to the vote at the meeting and his 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
- 58 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
- 58 4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other
- 58 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

59 Quorum for general meetings

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

60 Chairing general meetings

- 60 1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 60 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, the Directors present or (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
- 60 3 The person chairing a meeting in accordance with this Article is referred to as the **chairman of the meeting**

61 Attendance and speaking by Directors and non-shareholders

- 61 1 Directors may attend and speak at general meetings, whether or not they are shareholders
- 61 2 The chairman of the meeting may permit other persons, who are not shareholders of the Company or otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting

62 Adjournment

- 62 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
- 62 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if the meeting consents to an adjournment or if it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner
- 62 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 62 4 When adjourning a general meeting, the chairman of the meeting must
- 62 4 1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
- 62 4 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 62 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 to the same persons to whom notice of the Company's general meetings is required to be given and containing the same information which the original notice was required to contain
- 62 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

63 Voting: general

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

64 Errors and disputes

- 64 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
- 64 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

65 Poll votes

- 65 1 A poll on a resolution may be demanded either in advance of the general meeting where it is to be put to the vote or 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)
- 65 2 A poll may be demanded by the chairman of the meeting, by the Directors or by any person having the right to vote on the resolution
- 65 3 A demand for a poll may be withdrawn if the poll has not yet been taken and the chairman of the meeting consents to the withdrawal
- 65 4 Subject as provided in this Article, a poll must be taken when, where and in such manner as the chairman of the meeting directs

- 65 5 A poll on the election of the chairman of the meeting or on a question of adjournment must be taken immediately
- 65 6 Other polls must be taken within 30 days of their being demanded
- 65 7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded
- 65 8 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken

66 Shareholders with a mental disorder

A shareholder 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 to exercise the right to vote shall be deposited at the Office or at such other place as is specified in accordance with these 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

67 Form of proxy notices

- 67 1 An instrument appointing a proxy (a **proxy notice**) shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)

" Limited

I/We, , of , being a shareholder/shareholders of the above-named Company, hereby appoint of , or failing him, of as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the Company to be held on 20 and at any adjournment thereof

Authenticated on 20 "

- 67 2 Where it is desired to afford shareholders an opportunity of instructing the proxy how he shall act the instrument appointing a proxy (a **proxy notice**) shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)

" Limited

I/We, , of , being a shareholder/shareholders of the above-named Company, hereby appoint of , or failing him, of as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the Company to be held on 20 and at any adjournment thereof

This form is to be used in respect of the resolutions mentioned below as follows

Resolution No 1 *for *against

Resolution No 2 *for *against

*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting

Authenticated on 20 "

68 Delivery of proxy notices

- 68 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
- 68 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
- 68 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
- 68 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

69 Validity of votes by proxies and corporate representatives

A vote given by a proxy or by a corporate representative shall be valid notwithstanding that the proxy or corporate representative has failed to vote in accordance with the instructions of the member by whom the proxy or corporate representative was appointed and the Company shall be under no obligation to check that any vote so given is in accordance with any such instructions

70 Amendments to resolutions

- 70 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
 - 70 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
 - 70 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 70 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution if
 - 70 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 70 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 70 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

71 No voting of shares on which money owed to Company

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that share have been paid

PART 5 ADMINISTRATIVE ARRANGEMENTS

72 Secretary

Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. This Article only applies for so long as the Company elects to have a Secretary

73 Means of communication to be used

73 1 Any notice, document or other information shall be deemed served on or delivered to a shareholder by the Company or to the Company by a shareholder

73 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 received a confirmation of delivery from the courier service provider),

73 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

73 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

73 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 should be taken of any part of a day that is not a working day

73 2 Where shares are held jointly, anything agreed or specified by the holder whose name appears first in the Company's register of members in relation to documents or information sent to him in respect of a joint holding shall be binding on all joint holders

73 3 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being

73 4 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

74 Company seals

- 74 1 Any common seal may only be used by the authority of the Directors
- 74 2 The Directors may decide by what means and in what form any common seal is to be used
- 74 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
- 74 4 For the purposes of this Article, an authorised person is any Director, the Secretary (if any) or any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

75 No right to inspect accounts and other records

- 75 1 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
- 75 2 Notwithstanding the above, the Company shall respond to all Requests for Information and the Directors shall use their reasonable endeavours to ensure that the Company responds to such Request for Information within the time for compliance as set out in Section 10 of FOIA or Regulation 5 of the Environmental Information Regulations 2004

76 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 (including, subject to the CA 2006, 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

77 Indemnity

- 77 1 Subject to Article 77 2, a relevant director of the Company or an associated company may be indemnified out of the Company's assets against
 - 77 1 1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
 - 77 1 2 any other liability incurred by that director as an officer of the Company or an associated company
- 77 2 Article 77 1 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
- 77 3 In this Article companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate and a **relevant director** means any director or former director of the Company or an associated company

78 Insurance

- 78 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
- 78 2 In this Article

- 78 2 1 a **relevant director** means any director or former director of the Company or an associated company,
- 78 2 2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant director in connection with that relevant 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 an associated company, and
- 78 2 3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate