

Company No. 08141301

PUBLIC COMPANY LIMITED BY SHARES

SHAREHOLDER RESOLUTION

of

TIDAL LAGOON (SWANSEA BAY) PLC

(the "Company")

At a General Meeting of the Company duly convened and held on 26 February 2013 the following resolution was duly passed as a special resolution

SPECIAL RESOLUTION

THAT with effect from the passing of this resolution the articles of association contained in the document attached to this resolution be and are approved and adopted as articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

P. T. Carter

Director/Secretary



Company No. 08141301

PUBLIC COMPANY LIMITED BY SHARES

SHAREHOLDER RESOLUTION

of

TIDAL LAGOON (SWANSEA BAY) PLC

(the "Company")

At a meeting of the holders of the Ordinary Shares of the Company duly convened and held on 26 February 2013 the following resolution was duly passed as a special resolution

SPECIAL RESOLUTION

THAT with effect from the passing of this resolution the Articles of Association contained in the document attached to this notice be and are approved and adopted as articles of association of the Company to the extent that such Articles of Association vary the existing rights of the holders of the Ordinary Shares



Director/Secretary

Company No. 08141301

PUBLIC COMPANY LIMITED BY SHARES

SHAREHOLDER RESOLUTION

of

TIDAL LAGOON (SWANSEA BAY) PLC

(the "Company")

At a meeting of the holders of the E Ordinary Shares of the Company duly convened and held on 26 February 2013 the following resolution was duly passed as a special resolution

SPECIAL RESOLUTION

THAT with effect from the passing of this resolution the Articles of Association contained in the document attached to this notice be and are approved and adopted as articles of association of the Company to the extent that such Articles of Association vary the existing rights of the holders of the E Ordinary Shares

P.T. Carter

Director/Secretary



COMPANIES HOUSE

A05

09/03/2013

#140

COMPANIES HOUSE

Registered no: 08141301

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TIDAL LAGOON (SWANSEA BAY) PLC

(as adopted by Special Resolution passed on 26 February 2013)

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PRELIMINARY

1. Preliminary

No regulations set out in any schedule to any statute or statutory instrument concerning companies (including the regulations in the Model Articles of the Companies (Model Articles) Regulations 2008) shall apply as regulations or articles of association of the Company

2. Definitions and Interpretation

2.1 Definitions

In these Articles (except where the context otherwise requires) the following words and expressions shall have the following meanings

“Auditors”	the auditors for the time being of the Company, or if none then any Accountants for the time being instructed by the Company and these Articles shall be read and construed accordingly,
“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”	the board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present,
“business day”	a week day on which banks are generally open for business in the City of London,
“certificate”	a paper certificate (other than a share warrant) evidencing a person’s title to specified shares or other securities,
“certificated”	in relation to a share, means that it is not an uncertificated share or a share in respect of which a share warrant has been issued and is current,
“clear days”	in relation to the period of a notice, 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,
“Companies Acts”	the 2006 Act and every statute concerning companies and all regulations and other subordinate legislation made thereunder from time to time insofar as the same applies to the Company,
“Company”	Tidal Lagoon (Swansea Bay) PLC (company registration number 08141301),
“Departing Shareholder”	Employee an Employee Shareholder who ceases to be an employee of TLP for any reason (including by reason of death),

“Directors”	those persons holding office as directors of the Company from time to time,
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form,
“Effective Date”	the date on which an Employee Shareholder agreed to subscribe for E Ordinary Shares as stated in the Employee Shareholder’s option agreement with the Company,
“E Ordinary Shareholder”	a holder for the time being of E Ordinary Shares,
“E Ordinary Shares”	the E ordinary shares of £5 00 each in the capital of the Company having the rights and subject to the restrictions set out in these Articles,
“electronic”	actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and “by electronic means” means by any manner capable of being so actuated and shall include e-mail and or other data transmission services,
“Employee Shareholder”	an E Ordinary Shareholder who is an employee of TLP other than Mark Shorrock,
“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,
“instrument”	means a document in hard copy form,
“Member”	a member of the Company,
“month”	calendar month,
“MS”	Mark Shorrock,
“MS Director”	any director appointed to the board by MS,
“Office”	the registered office of the Company from time to time,
“Ordinary Shares”	the ordinary shares of £5 00 each in the capital of the Company having the rights and subject to the restrictions set out in these Articles,
“paid”	means paid or credited as paid,
“present in person”	in the case of an individual, that individual or his lawfully appointed attorney being present in person and, in the case of a corporation, being present by duly authorised representative or lawfully appointed attorney and, in relation to meetings, “in person” shall be construed accordingly,

“Seal”	the common seal of the Company or any official seal that the Company may be permitted to have under the Companies Acts and these Articles,
“Secretary”	any person appointed by the Board to perform any of the duties of company secretary and includes a joint, deputy or assistant secretary,
“these Articles”	these articles of association in their present form as altered from time to time, and
“TLP”	Tidal Lagoon Power Limited (Company No 08163554)
“transmittee”	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,
“United Kingdom”	Great Britain and Northern Ireland
“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

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

3. **Liability of Members**

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

4. **Directors’ general authority**

Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company

5. **Members’ reserve powers**

- 5.1 The members 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

6. **Directors may delegate**

- 6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles

- (a) to such person or committee,

- (b) by such means (including by power of attorney),
 - (c) to such an extent,
 - (d) in relation to such matters or territories, and
 - (e) on such terms and conditions,
- as they think fit

6.2 Subject to the articles, the directors may delegate any of the powers which are conferred on them

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 the 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 the articles if they are not consistent with them

DECISION-MAKING BY DIRECTORS

8. Directors to take decisions collectively

Decisions of the directors may be taken

- (a) at a directors' meeting, or
- (b) in the form of a directors' written resolution

9. Calling a directors' meeting

9.1 Any director may call a directors' meeting

9.2 The company secretary must call a directors' meeting if a director so requests

9.3 A directors' meeting is called by giving notice of the meeting to the directors

9.4 Notice of any directors' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

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

9.6 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days

after the date on which the meeting is held Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

10. Participation in directors' meetings

- 10.1** Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- 10.2** In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other
- 10.3** If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

11. Quorum for directors' meetings

- 11.1** At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 11.2** The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two

12. Meetings where total number of directors less than quorum

- 12.1** This article applies where the total number of directors for the time being is less than the quorum for directors' meetings
- 12.2** If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so
- 12.3** If there is more than one director
- (a) a directors' meeting may take place, if it is called in accordance with the articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
 - (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so

13. Chairing 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 appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence
- 13.4** The directors may terminate the appointment of the chairman, deputy or assistant chairman at any time

13.5 If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a 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. Voting at directors' meetings: general rules

14.1 Subject to the articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors

14.2 Subject to the articles, each director participating in a directors' meeting has one vote

15. Chairman's casting vote at directors' meetings

15.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

15.2 But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

16. Conflicts of interest

16.1 If a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested that director is to be counted as participating in the decision-making process for quorum or voting purposes provided that the director discloses the interest in accordance with either Section 177 or Section 182 of the Act (as the case may be)

16.2 Unless and until the Company, by ordinary resolution, resolves otherwise

(a) any director may be counted as participating in a directors' meeting, or part of a directors' meeting, for the purposes of determining whether a quorum is present, and shall be entitled to vote at that meeting or part of a meeting, despite the fact that the director has an interest which does, or may, give rise to a conflict with the interests of the Company, provided that the director has declared the nature and extent of the interest, and

(b) any director of the Company may act as a director of any other company which is within the same group as the Company,

provided that no such resolution or other decision of the Company to revoke or amend the provisions of this Article 16 2 shall have retrospective effect

16.3 Subject to Article 16 4, 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

16.4 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

17. Proposing directors' written resolutions

17.1 Any director may propose a directors' written resolution

- 17.2** The company secretary must propose a directors' written resolution if a director so requests
- 17.3** A directors' written resolution is proposed by giving notice of the proposed resolution to the directors
- 17.4** Notice of a proposed directors' written resolution must indicate
- (a) the proposed resolution, and
 - (b) the time by which it is proposed that the directors should adopt it
- 17.5** Notice of a proposed directors' written resolution must be given in writing to each director
- 17.6** Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith
- 18. Adoption of directors' written resolutions**
- 18.1** A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting
- 18.2** It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted
- 18.3** Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles
- 18.4** The company secretary must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least ten years from the date of their adoption
- 19. Directors' discretion to make further rules**
- Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors
- 20. Company Secretary**
- The directors may appoint a company secretary on such terms and for such period as they think fit and may remove any company secretary appointed by them

APPOINTMENT OF DIRECTORS

- 21. Methods of appointing directors**
- 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
- (a) by ordinary resolution, or
 - (b) by a decision of the directors
- 22. Appointment of directors**
- 22.1** The maximum number of directors holding office at any time shall be five, unless the Company by ordinary resolution decides otherwise. The minimum number of directors is two

22.2 Notwithstanding Articles 21 and 22 1, any member, so long as he holds 10% or more of the issued share capital of the Company shall be entitled to appoint and maintain in office one director and to remove any director so appointed and upon removal appoint a replacement

22.3 Notwithstanding Articles 21 and 22 1, MS, so long as he shall hold any issued share capital of the Company shall be entitled to appoint and maintain in office two directors and to remove any director so appointed and upon removal appoint a replacement Any such appointee may be MS or such other person as MS may nominate MS shall not be entitled to appoint more than two directors pursuant to Article 22 2 and 22 3 at the same time

23. Termination of director's appointment

23.1 A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months and a second independent medical practitioner (who may be appointed by the Company) confirms that opinion in writing,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms

24. Directors' remuneration

24.1 Directors may undertake any services for the company that the directors decide

24.2 Directors are entitled to such remuneration as the directors determine

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company

24.3 Subject to the articles, a director's remuneration may

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

24.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

- 24.5** Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested

25. Directors' expenses

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

ALTERNATE DIRECTORS

26. Appointment and removal of alternates

- 26.1** Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor

- 26.2** 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

- 26.3** The notice must

- (a) identify the proposed alternate, and
- (b) 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

27. Rights and responsibilities of alternate directors

- 27.1** An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor

- 27.2** Except as the articles specify otherwise, alternate directors,

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

27.3 A person who is an alternate director but not a director

- (a) 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
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor)

No alternate may be counted as more than one director for such purposes

27.4 An alternate director 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

28. Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) 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,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting

DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

29. Attendance and speaking at general meetings

29.1 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

29.2 A person is able to exercise the right to vote at a general meeting when

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

29.3 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

29.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other

29.5 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

30. Quorum for general meetings

30.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be MS for so long as MS shall be a holder of at least one share in the Company

30.2 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

31. Chairing general meetings

31.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

31.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

(a) the directors present, or

(b) (if no directors are present), the meeting,

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

31.3 The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”

32. Attendance and speaking by directors and non-members

32.1 Directors may attend and speak at general meetings, whether or not they are members

32.2 The chairman of the meeting may permit other persons who are not

(a) members of the company, or

(b) otherwise entitled to exercise the rights of members in relation to general meetings,
to attend and speak at a general meeting

33. Adjournment

33.1 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

33.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

(a) the meeting consents to an adjournment, or

- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 33.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 33.4 When adjourning a general meeting, the chairman of the meeting must
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 33.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
 - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain
 - (c) 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

CONSENT

34. Consent

- 34.1 In addition to any other approval required by law or these Articles, the Company shall not without the written consent of MS
 - (a) amend these Articles, or
 - (b) sell or otherwise dispose of the whole or a material part of the undertaking, property, and assets of the Company or contract to do so, or
 - (c) resolve to wind up the Company voluntarily, or
 - (d) create any mortgage, debenture, pledge, lien or other encumbrances over the undertaking or assets of the Company, or factor, assign, discount or otherwise dispose of any book debts or other debts of the Company, other than in the normal course of business
- 34.2 The Company shall not without the written consent of MS issue any shares of any kind
- 34.3 The Company shall not without the written consent of MS
 - (a) obtain debt finance to include decisions relating to the choice of finance provider, the amounts borrowed and the structure of the financing arrangements, or
 - (b) grant options, warrants or other convertible rights in respect of any un-issued shares

VOTING AT GENERAL MEETINGS

35. Voting: general

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

36. Errors and disputes

36.1 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

36.2 Any such objection must be referred to the chairman of the meeting whose decision is final

37. Demanding a poll

37.1 A poll on a resolution may be demanded

(a) in advance of the general meeting where it is to be put to the vote, or

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

37.2 A poll may be demanded by any one person having the right to vote

37.3 A demand for a poll may be withdrawn if

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal

38. Procedure on a poll

38.1 Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs

38.2 The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared

38.3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded

38.4 A poll on

(a) the election of the chairman of the meeting, or

(b) a question of adjournment,

must be taken immediately

38.5 Other polls must be taken within 30 days of their being demanded

38.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded

38.7 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

38.8 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

39. Content of proxy notices

39.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

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

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

39.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

39.4 Unless a proxy notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

40. Delivery of proxy notices

40.1 Any notice of a general meeting must specify the address or addresses ("proxy notification address") at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form

40.2 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

40.3 Subject to articles 40 4 and 40 5, a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates

40.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll

40.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered

- (a) in accordance with article 40 3, or
 - (b) at the meeting at which the poll was demanded to the chairman, secretary or any director
- 40.6** An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address
- 40.7** A notice revoking a proxy appointment only takes effect if it is delivered before
 - (a) the start of the meeting or adjourned meeting to which it relates, or
 - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates
- 40.8** If a proxy notice is not signed 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
- 41. Amendments to resolutions**
- 41.1** An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
 - (a) notice of the proposed amendment is given to the company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 41.2** A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
 - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 41.3** 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

RESTRICTIONS ON MEMBERS' RIGHTS

42. 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

APPLICATION OF RULES TO CLASS MEETINGS

43. Class meetings

The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares

SHARES AND DISTRIBUTIONS

SHARE CAPITAL

44. Share Capital

The capital of the Company shall consist of Ordinary Shares and E Ordinary Shares and the shares of each class shall rank par passu having attached the same rights and restrictions except as otherwise provided in these Articles

ISSUE OF SHARES

45. Issue of Shares

45.1 The issue of shares in the capital of the Company shall be subject to the provisions of Article 34

45.2 Subject to Article 34 and unless otherwise agreed by special resolution, if the directors or the Company propose to allot any shares of any class in the capital of the Company those share shall not be allotted to any person unless they have first been offered to all shareholders holding shares of the same class on the date of the offer on the same terms, and at the same price, as those shares are being offered to other persons on a par passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions) The offer

(a) shall be in writing, shall be open for acceptance for a period of 21 days from the date of the offer and shall give details of the number and subscription price of the relevant shares, and

(b) may stipulate that any shareholder who wishes to subscribe for a number of shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess shares (**Excess Shares**) for which he wishes to subscribe

45.3 Any shares not accepted by shareholders pursuant to the offer made to them in accordance with Article 45 2 shall be used for satisfying any requests for Excess Shares made pursuant to Article 45 2 If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants pro rata to the number of shares of the relevant class held by the applicants immediately before the offer was made to shareholders in accordance with Article 45 2 (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any shareholder beyond that applied for by him) After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders

45.4 Subject to compliance with these Articles and the Act, shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to those persons, at those times and generally on the terms and conditions they think proper

46. Powers to issue different classes of share

- 46.1** Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution
- 46.2** The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

INTERESTS IN SHARES

47. Company not bound by less than absolute interests

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

48. Company's lien over shares

- 48.1** This Article applies to any share (whether partly or fully paid) registered in the name (whether as sole or joint holder) of any person indebted or under liability to the company
- 48.2** The Company has a lien (the **Company's lien**) over every share to which this Article applies for any sum which has not been paid to the Company, and which is payable immediately or at some time in the future (including but not limited to any part of that share's nominal value and any premium at which it was issued), whether or not a call notice has been sent in respect of it
- 48.3** 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
- 48.4** 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

49. Enforcement of the company's lien

- 49.1** Subject to the provisions of this Article, if

- (a) a lien enforcement notice has been given in respect of a share, and
- (b) 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

49.2 A lien enforcement notice

- (a) may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,

- (d) 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
- (e) must state the Company's intention to sell the share if the notice is not complied with

49.3 Where shares are sold under this Article

- (a) 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, and
- (b) 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

49.4 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

- (a) 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,
- (b) 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

49.5 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a share has been sold to satisfy the Company's lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

50. Call notices

50.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a 'call notice') to a member requiring the member to pay the Company a specified sum of money (a 'call') which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

50.2 A call notice

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

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

- 50.4** Before the Company has received any call due under a call notice the directors may
- (a) revoke it wholly or in part, or
 - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the member in respect of whose shares the call is made
- 51. Liability to pay calls**
- 51.1** Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid
- 51.2** Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- 51.3** 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
- (a) to pay calls which are not the same, or
 - (b) to pay calls at different times
- 52. When call notice need not be issued**
- 52.1** 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)
- (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue
- 52.2** 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
- 53. Failure to comply with call notice: automatic consequences**
- 53.1** If a person is liable to pay a call and fails to do so by the call payment date
- (a) the directors may issue a notice of intended forfeiture to that person, and
 - (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate
- 53.2** For the purposes of this Article
- (a) 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,
 - (b) the 'relevant rate' is

- i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
- ii) 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
- iii) if no rate is fixed in either of these ways, 5% per annum

53.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England

53.4 The directors may waive any obligation to pay interest on a call wholly or in part

54. Notice of intended forfeiture

A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- (b) 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,
- (c) 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,
- (d) must state how the payment is to be made, and
- (e) 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

55. 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

56. Effect of forfeiture

56.1 Subject to the Articles, the forfeiture of a share extinguishes

- (a) all interests in that share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company

56.2 Any share which is forfeited in accordance with the Articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

56.3 If a person's shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a member in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- (e) 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

56.4 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

57. Procedure following forfeiture

57.1 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

57.2 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a share has been forfeited on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

57.3 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

57.4 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

- (a) was, or would have become, payable, and
- (b) 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

58. Surrender of shares

58.1 A member may surrender any share

- (a) in respect of which the directors may issue a notice of intended forfeiture,
- (b) which the directors may forfeit, or
- (c) which has been forfeited

58.2 The directors may accept the surrender of any such share

58.3 The effect of surrender on a share is the same as the effect of forfeiture on that share

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

PROHIBITION ON TRANSFER OF ORDINARY SHARES

59. No member shall in any circumstances sell, transfer, assign, pledge, charge or otherwise dispose of any Ordinary Share

TRANSFER OF E ORDINARY SHARES

60. Departing Employee Shareholders

60.1 If an Employee Shareholder becomes a Departing Employee Shareholder during the period of three years from the Effective Date, the E Ordinary Shares registered in their name (the, "E Sale Shares") shall be offered firstly to MS, who shall have the right, but not the obligation, to acquire such shares at a price to be ascertained as follows

- a) if the termination date of the Departing Employee's employment with TLP is one year or less after the Effective Date, the price shall be the par value of each E Sale Share,
- b) if the termination date of the Departing Employee's employment with TLP is more than one year but not more than two years after the Effective Date, the price shall be the par value of each E Sale Share plus 50% of any premium paid, per share, on the most recent issue of Ordinary Shares, or
- c) if the termination date of the Departing Employee's employment with TLP is more than two years but not more than three years after the Effective Date, the price shall be the par value of each E Sale Share, plus 100% of any premium paid, per share, on the most recent issue of Ordinary Shares

60.2 The E Sale Shares shall be offered to MS by written notice (the "E Sale Notice") which shall be served on him by the Departing Employee within 21 days of the cessation of the Departing Employee's employment with TLP, stating the number of E Sale Shares and the price at which they are offered. In the event of failure by the Departing Employee to serve an E Sale Notice as required by this Article such E Sale Notice shall be deemed to have been served on the date upon which MS becomes aware of the cessation of the Departing Employee's employment. MS shall have 21 days from the date of the E Sale Notice (or deemed E Sale Notice) within which to respond in writing to the Company, stating how many, if any, of the E Sale Shares he wants to acquire

60.3 If MS shall notify the Company that he does not want to acquire all of the E Sale Shares then the Company shall within 10 days send written notice (the "Company's Notice") to the other members of the Company holding E Ordinary Shares. The recipients of the Company's Notice shall reply to the Company within fifteen days stating whether they (or any of them) wish to purchase any and if so how many of the E Sale Shares. In the event that there is a request to

purchase a total number of E Sale Shares greater than the total stated in the Company's notice, then the amount of shares requested by all who reply will be reduced by the same percentage, said percentage being the figure required to reduce the total E Sale Shares requested by them to the total on the Company's Notice

- 60.4 If both MS and the recipients of the Company's Notice fail to purchase the E Sale Shares from the holder of those shares (or their personal representatives, as the case may be) the E Sale Shares must not in any circumstances be transferred to a third party
- 60.5 The Company shall not register any transfer of E Ordinary Shares made in breach of this Article and the E Ordinary Shares comprised in any transfer made in breach of this Article shall carry no rights whatsoever unless and until the breach is rectified
- 60.6 Save as permitted by this Article 60, no E Ordinary Shareholder shall otherwise sell, transfer, assign, pledge, charge or otherwise dispose of any E Ordinary Shares

TRANSMISSION OF SHARES

61. Transmission of shares

- 61.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share
- 61.2 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member

62. Transmittees' rights

- 62.1 A transmittee must become the holder of Ordinary Shares and shall have the right to attend or vote at a general meeting in respect of those shares
- 62.2 A transmittee must not transfer Ordinary Shares to any other person
- 62.3 A transmittee who produces such evidence of entitlement to E Ordinary Shares as the directors may properly require may transfer E Ordinary Shares to MS or other E Ordinary Shareholders in accordance with the provisions of Article 60

63. Transmittees bound by prior notices

- 63.1 If a notice is given to a member 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 member before the transmittee's name has been entered in the register of members

DISTRIBUTIONS

64. Procedure for declaring dividends

- 64.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- 64.2 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
- 64.3 No dividend may be declared or paid unless it is in accordance with members' respective rights

- 64.4** Unless the members' 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 member's holding of shares on the date of the resolution or decision to declare or pay it
- 64.5** 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
- 64.6** 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
- 64.7** 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
- 64.8** If any share is issued on terms providing that it ranks for dividend as from a particular date or to a particular extent, that share ranks for dividend accordingly
- 65. Calculation of dividends**
- 65.1** Except as otherwise provided by the articles or the rights attached to shares, all dividends must be
- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
 - (b) 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
- 65.2** If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 65.3** 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
- 66. Payment of dividends and other distributions**
- 66.1** 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
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
 - (b) 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 or as the directors may otherwise decide,
 - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
 - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide

66.2 In the articles, “the distribution recipient” means, in respect of a share in respect of which a dividend or other sum is payable

- (a) the holder of the share, or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

67. Deductions from distributions in respect of sums owed to the company

67.1 If

- (a) a share is subject to the company’s lien, and
- (b) 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 in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice

67.2 Money so deducted must be used to pay any of the sums payable in respect of that share

67.3 The company must notify the distribution recipient in writing of

- (a) the fact and amount of any such deduction,
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
- (c) how the money deducted has been applied

68. 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

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

69. Unclaimed distributions

69.1 All dividends or other sums which are

- (a) payable in respect of shares, and
- (b) 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

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

69.3 If

(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

(b) 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

70. Non-cash distributions

70.1 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)

70.2 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

(a) fixing the value of any assets,

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

(c) vesting any assets in trustees

71. Waiver of distributions

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

(a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

CAPITALISATION OF PROFITS

72. Authority to capitalise and appropriation of capitalised sums

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

(a) 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

- (b) appropriate any sum which they so decide to capitalise (a “capitalised sum”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “persons entitled”) and in the same proportions

72.2 Capitalised sums must be applied

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

72.3 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 or may be applied in, or towards, paying up any sums unpaid on shares in the capital of the Company already held by the person entitled to the capitalised sum

72.4 A capitalised sum which was appropriated from profits available for distribution may be applied

- (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or
- (b) 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

72.5 Subject to the articles the directors may

- (a) apply capitalised sums in accordance with articles 72 3 and 72 4 partly in one way and partly in another,
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

MISCELLANEOUS PROVISIONS

COMMUNICATIONS

73. Means of communication to be used

73.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company

73.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being

- 73.3 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

ADMINISTRATIVE ARRANGEMENTS

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 or securities 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
- (a) any director of the company,
 - (b) the company secretary, or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied
- 74.5 If the company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors
- 74.6 If the company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary
- 74.7 For the purposes of the articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs

75. Destruction of documents

- 75.1 The company is entitled to destroy
- (a) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration,
 - (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded,
 - (c) all share certificates which have been cancelled from one year after the date of the cancellation,
 - (d) all paid dividend warrants and cheques from one year after the date of actual payment, and

- (e) all proxy notices from one year after the end of the meeting to which the proxy notice relates
- 75.2** If the company destroys a document in good faith, in accordance with the articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the company that
- (a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made,
 - (b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,
 - (c) any share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and
 - (d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the company
- 75.3** This article does not impose on the company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so
- 75.4** In this article, references to the destruction of any document include a reference to its being disposed of in any manner

76. No right to inspect accounts and other records

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

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
- (a) 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,
 - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that director as an officer of the company or an associated company
- 77.2** This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law
- 77.3** In this article
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

- (b) a “relevant director” means any director or former director of the company or an associated company

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

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