

Company number
8456214
**PRIVATE COMPANY
LIMITED BY SHARES**
WRITTEN RESOLUTION
of
BRECON HOMES LIMITED
(Company)

25 March 2014

The resolution below has been passed as a special resolution

SPECIAL RESOLUTION:

Articles of Association

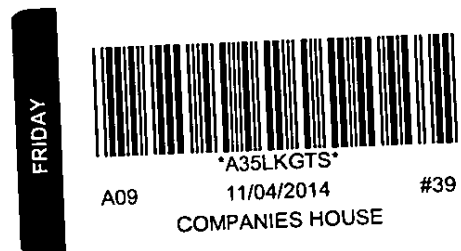
"THAT the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairman be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association "

Signed by Huw Evans/Michael Carr


Director

Date

25 March 2014



THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES


ARTICLES OF ASSOCIATION

OF

BRECON HOMES LIMITED

Company registration number 8456214

(Adopted by special resolution passed on 25 March 2014)


Director.
25.03.2014

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

A Shares. the ordinary shares of £0.01 each in the capital of the Company having the rights set out in article 14,

Act means the Companies Act 2006,

appointor has the meaning given in article 11(1),

Articles. means the company's articles of association for the time being in force,

Available profits: profits available for distribution within the meaning of part 23 of the Act,

B Shares: the ordinary shares of £0.01 each in the capital of the Company having the rights set out in articles 14.1(b) to 14.4 inclusive,

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

Conflict has the meaning given in article 7.1,

Control. has the meaning given in section 1124 of the Corporation Tax Act 2010,

Completion the receipt by the Company of the proceeds of sale (including the creation of a leasehold interest or tenancy) of all or any part of an interest in real property held by the Company

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

Expert a chartered accountant or accounting firm of international repute jointly nominated by the Shareholders or in the event of disagreement as to the nomination which is not resolved within a period of 20 business days as appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales on the application of any Shareholder

Interest Rate. an annual rate of 4 % above Barclays Bank plc base rate from time to time,

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium,

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles,

Ordinary Share: the A Shares and B Shares from time to time in issue,

Preference Shares. the preference shares of £1 each in the capital of the Company having the rights set out in articles 15 to 18,

Project: any project agreed between the Company and its Shareholders for the acquisition, development and sale of residential property

Project Plan: the project plan for each Project as updated from time to time by agreement between the Company and its Shareholders

Mr Ryland: Christopher Herbert Ryland,

Share An Ordinary Share and/or a Preference Share as the context requires, and

Shareholder: a holder for the time being of an Ordinary Share

SPM: SPM Homes Limited (company registration number 2213626)

Trusts: The CH Ryland No 1 Grandchildren's Settlement dated 6 April 1985 and The CH Ryland No 1 Grandchildren's Settlement dated 6 April 1985

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company
- 1 9 Article 7 of the Model Articles shall be amended by
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur"
- 1 11 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 12 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1 13 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

DIRECTORS

2 UNANIMOUS DECISIONS

- 2 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
- 2 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- 2 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

3. CALLING A DIRECTORS' MEETING

Any director may call a directors' meeting by giving 2 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

4 QUORUM FOR DIRECTORS' MEETINGS

- 4 1 Subject to article 4 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors
- 4 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- 4 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors

5. CASTING VOTE

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

7. DIRECTORS' CONFLICTS OF INTEREST

7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

7.2 Any authorisation under this article 7 will be effective only if

- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to

the directors under the provisions of these Articles or in such other manner as the directors may determine,

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the

company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

8 RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

9. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not exceed six

10 APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy -

- (a) Mr Ryland, either of the Trusts or SPM or their respective appointees are not able to continue as directors, or
- (b) the company has no shareholders and no directors,

In the case of paragraph (a) above the transmittee(s) of Mr Ryland, either of the Trusts or SPM or in the case of paragraph (b) above the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

11. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 11 1 Any director (**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

11 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

11 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

12 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

12 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

12 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

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

12 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 present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 12 3(a) and (b)

12 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision) and shall count as more than one director for the purposes of determining whether a quorum is present

- 12 5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

13. 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

CLASS RIGHTS

14. ORDINARY SHARES

The Ordinary Shares shall have and enjoy the following rights and be subject to the following restrictions

- 14 1 As regards dividends such profits as the Company may determine to distribute in respect of any financial year shall be distributed as follows
- (a) an agreed amount specified in each Project Plan as the lesser of a specified amount or a percentage of the profit of the Company in relation to each Project (provided that in the event of disagreement between the parties as to the profit for the Project, such profit shall be determined by the Expert at the cost of the Company by reference to the accounts of the Company), and
 - (b) such profits as the Company may determine to distribute in excess of those distributed to the holders of A Shares pursuant to article 14 1 (a) in respect of any financial year shall be distributed amongst the holders of the Ordinary Shares rateably according to the number of Ordinary Shares held by them respectively
- 14 2 As regards capital - On a return of capital on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall belong to and be distributed amongst the holders of the Ordinary Shares to be distributed amongst such holders according to the number of Ordinary Shares held by them respectively

- 14 3 As regards voting - on a show of hands every member who is present in person or (being a corporation) is present by a representative shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) is present by representatives shall (except as hereinafter provided) have one vote for every fully paid Ordinary Share in the capital of the company of which he is the holder

15. PREFERENCE SHARES

- 15 1 The rights attaching to the Preference Shares as regards income, return of capital and voting attaching shall be as set out in articles 15 to 18 (inclusive)
- 15 2 The Company shall, without resolution of the Board or of the Company in general meeting and before application of any profits to reserve or for any other purpose first, pay in respect of each Preference Share, a floating cumulative preferential dividend at the Interest Rate on the Issue Price per share (excluding any associated tax credit) which shall be paid on redemption to the person registered as the holder of such Share at that date and which shall accrue daily from the date of issue and be calculated in respect of the period to such date assuming a 365 day year (**Preference Dividend**)
- 15 3 Each cumulative dividend shall be deemed to accrue from day to day as well after as before the commencement of a winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of Shareholders in respect of share capital
- 15 4 Each cumulative dividend shall, provided the Company has sufficient available profits out of which to pay the same and notwithstanding that such dividend is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in article 15 2 If and to the extent that the debt so constituted is not paid in full on the payment date concerned, the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the payment date concerned to the date of actual payment
- 15 5 If the Company is unable to pay in full on the due date any cumulative dividend by reason of having insufficient available profits then it shall on such date pay the same to the extent that it is lawfully able to do so and the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the payment date concerned down to and including the date of actual payment Such interest shall accumulate and form part of the cumulative dividend to which it relates It shall not therefore become payable until the Company has sufficient available profits with which to pay the relevant cumulative dividend

15 6 Where by reason of the Company having had insufficient available profits it is in arrears with the payment of dividends, the first available profits arising thereafter shall unless otherwise agreed in writing by all Preference Shareholders be applied in the following order of priority

- (a) first, in or towards paying off all accruals and/or unpaid amounts of Preference Dividend,
- (b) second, in or towards redeeming all Preference Shares which have not been redeemed on or by the due date for redemption in accordance with article 18 4

16. RETURN OF CAPITAL RIGHTS

16 1 The rights as regards return of capital attaching to the Preference Shares shall be as set out in this article

16 2 On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt any debts arising from non-payment of cumulative dividends) shall be applied first, in paying to each holder of Preference Shares in respect of each Preference Share of which it is the holder, an amount equal to (i) 100% of the issue price thereof and (ii) the aggregate amount of any accruals and/or unpaid amounts of Preference Dividend (to be calculated down to and including the date of the return of capital and to be payable irrespective of whether such dividend would be unlawful by reason of there being insufficient available profits),

17 VOTING RIGHTS

The Preference Shares will entitle the holders thereof to receive notice of all general meetings but will not entitle the holders to attend or vote at any general meeting

18 REDEMPTION RIGHTS

18 1 The Preference Shares shall, subject to the Act, be redeemed at the date of each Completion provided that the amount redeemable at each Completion shall not exceed the amount received by the Company (after deduction of legal and other direct costs of the transaction to which each Completion relates) Direct costs shall include retentions agreed with the buyer, lessee or professional third party, such as the National House Building Council until such retentions are released to the Company

18 2 Notwithstanding article 18 1, the holders of the Preference Shares may require the Company, by serving on it a notice (**Shareholder Redemption Notice**), to redeem

such amount of Preference Shares as is specified in the Shareholder Redemption Notice if, at any time

- (a) the Company has not redeemed any Preference Shares in accordance with the requirements of this article within 60 Business Days of the due date (irrespective of whether such redemption would be unlawful),
- (b) there has been proposed a resolution for the winding-up of the Company, a resolution for a reduction in the capital of the Company or a resolution varying any of the rights attaching to the Preference Shares, or
- (c) the Company is in material breach of the provisions of these articles

18 3 The holders of the Preference Shares shall be entitled to withdraw the Shareholder Redemption Notice if they serve the Company with written notice to that effect before the redemption takes place

18 4 Where a Shareholder Redemption Notice has been duly given, the Company shall be obliged, subject to having sufficient available profits with which to redeem the same, to redeem the Preference Shares specified in the Shareholder Redemption Notice on the first Business Day following the receipt of such notice (which day shall be the date fixed for redemption)

18 5 If the Company is unable, because of having insufficient available profits, to redeem in full the relevant number of Preference Shares on the date fixed for redemption, the Company shall redeem as many of such Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so

18 6 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Shares to be redeemed shall (subject to any contrary requirement in a Shareholder Redemption Notice) be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption

18 7 On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies

18 8 If any certificate delivered to the Company pursuant to article 18 7 includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those Shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter)

18 9 There shall be paid on the redemption of each Preference Share an amount equal to

- (a) 100% of the issue price thereof, and
- (b) all accruals and/or unpaid amounts of Preference Dividend in respect thereof, calculated down to and including the date of actual payment,

and such aggregate amount shall, subject to the Company having Available profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the due date down to and including the date of actual payment

18 10 If the Company is unable to pay the amounts referred to in article 18 9 in full on a date fixed for redemption by reason of having insufficient available profits or not having other monies which may be lawfully applied for such redemption, then the amount so unpaid shall be increased by an amount equal to the interest which would have accrued had interest on the unpaid amount been charged at the Interest Rate in respect of the period from and including the due date down to and including the date of actual payment and shall be paid as soon thereafter as, and to the extent that, available profits or other monies that may lawfully be applied for such redemption have arisen

18 11 If the Company fails or is unable to redeem any of the Preference Shares in full on the date due for redemption for any reason whatsoever, all available profits (or other monies which may lawfully be applied for the purpose of redeeming Shares) shall be applied in the order of priority specified in article 15 6

DECISION MAKING BY SHAREHOLDERS

19 POLL VOTES

19 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

19 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

20 PROXIES

- 20 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles 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 accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 20 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

ADMINISTRATIVE ARRANGEMENTS

21 MEANS OF COMMUNICATION TO BE USED

- 21 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - (c) if properly addressed and sent or supplied by electronic means, three hour after the document or information was sent or supplied, and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

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

- 21 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

22. INDEMNITY

22 1 Subject to article 12 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

(a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

(b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 22(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

22 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

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

23 INSURANCE

23 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

23 2 In this article

- (a) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate