FILE COPY

CERTIFICATE OF INCORPORATION
OF A
PRIVATE LIMITED COMPANY

Company Number **10721792**

The Registrar of Companies for England and Wales, hereby certifies that

HEARING IMPLANTS SYSTEMS LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **12th April 2017**

* N10721792G *

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006

Companies House

IN01(ef)

Application to register a company

Received for filing in Electronic Format on the: **11/04/2017**

X645M354

Company Name in full:	**HEARING IMPLANTS SYSTEMS LIMITED**
Company Type:	**Private company limited by shares**
Situation of Registered Office:	**England and Wales**
Proposed Registered Office Address:	**THE BUSINESS CENTRE 1 PENIEL GREEN ROAD LLANSAMLET SWANSEA UNITED KINGDOM SA7 9AP**
Sic Codes:	**47741**

Proposed Officers

Company Director 1

Type:	**Person**
Full Forename(s):	**SEGHIR**
Surname:	**KRAMCHA**
Service Address:	**THE BUSINESS CENTRE 1 PENIEL GREEN ROAD LLANSAMLET SWANSEA UNITED KINGDOM SA7 9AP**
Country/State Usually Resident:	**UNITED KINGDOM**

Date of Birth: ****/02/1946** *Nationality:* **ALGERIAN**

Occupation: **DIRECTOR**

The subscribers confirm that the person named has consented to act as a director.

Statement of Capital (Share Capital)

Class of Shares:	**ORDINARY**	*Number allotted*	**100**
Currency:	**GBP**	*Aggregate nominal value:*	**100**

Prescribed particulars

THE ORDINARY SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION (INCLUDING ON WINDING UP) RIGHTS; THEY DO NOT CONFER ANY RIGHTS OF REDEMPTION.

Statement of Capital (Totals)

Currency:	**GBP**	*Total number of shares:*	**100**
		Total aggregate nominal value:	**100**
		Total aggregate unpaid:	**0**

Initial Shareholdings

Name: **ABDELHAMID BENIA**

Address **THE BUSINESS CENTRE 1**
PENIEL GREEN ROAD
LLANSAMLET
SWANSEA
UNITED KINGDOM
SA7 9AP

Class of Shares:	**ORDINARY**
Number of shares:	**100**
Currency:	**GBP**
Nominal value of each share:	**1**
Amount unpaid:	**0**
Amount paid:	**1**

Persons with Significant Control (PSC)

Statement of initial significant control

On incorporation, there will be someone who will count as a Person with Significant Control (either a registerable person or relevant legal entity (RLE)) in relation to the company

Individual Person with Significant Control details

Names: **MR ABDELHAMID BENIA**

Country/State Usually Resident: **ALGERIA**

Date of Birth: ****/06/1949** *Nationality:* **ALGERIAN**

Service Address: **THE BUSINESS CENTRE 1 PENIEL GREEN ROAD**
LLANSAMLET
SWANSEA
UNITED KINGDOM
SA7 9AP

The subscribers confirm that each person named as an individual PSC in this application knows that their particulars are being supplied as part of this application.

Nature of control	**The person holds, directly or indirectly, 75% or more of the shares in the company.**
Nature of control	**The person holds, directly or indirectly, 75% or more of the voting rights in the company.**

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

memorandum delivered by an agent for the subscriber(s): **YES**

Agent's Name: **COMPANY REGISTRATIONS ONLINE LIMITED**

Agent's Address: **CARPENTER COURT 1 MAPLE ROAD**
BRAMHALL
STOCKPORT
UNITED KINGDOM
SK7 2DH

Authorisation

Authoriser Designation: **agent** *Authenticated* **YES**

Agent's Name: **COMPANY REGISTRATIONS ONLINE LIMITED**

Agent's Address: **CARPENTER COURT 1 MAPLE ROAD**
BRAMHALL
STOCKPORT
UNITED KINGDOM
SK7 2DH

COMPANIES ACT 2006

COMPANY HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

HEARING IMPLANTS SYSTEMS LIMITED

Each subscriber to this Memorandum of Association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share

Name of Each Subscriber	**Authentication**
ABDELHAMID BENIA	Authenticated Electronically

Date: 11 April 2017

COMPANIES ACT 2006

COMPANY HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF

HEARING IMPLANTS SYSTEMS LIMITED

CONTENTS

CLAUSE/PART

PART 1 1

INTERPRETATION AND LIMITATION OF LIABILITY 1

1 Defined terms 1

2 Liability of members 2

PART 2 2

DIRECTORS 2

DIRECTORS' POWERS AND RESPONSIBILITIES 2

3 Directors' general authority 2

4 Change of Company name 2

5 Members' reserve power 2

6 Directors may delegate 3

7 Committees 3

DECISION-MAKING BY DIRECTORS 3

8 Directors to take decisions collectively 3

9 Directors' written resolutions 3

10 Unanimous decisions 3

11 Calling a directors' meeting 4

12 Participation in directors' meetings 4

13 Chairing of directors' meetings 4

14 Chairman's casting vote at directors' meetings 4

15 Quorum for directors' meetings 4

16 Directors' conflicts of interests 4

17 Records of decisions to be kept 6

18 Directors' discretion to make further rules 6

APPOINTMENT AND TERMINATION OF APPOINTMENT OF DIRECTORS 6

19 Number of directors 6

20 Methods of appointing directors 6

21 Termination of director's appointment 6

22 Directors' remuneration 6

23 Directors' expenses 7

ALTERNATE DIRECTORS 7

24 Appointment and removal of alternate directors 7
25 Rights and responsibilities of alternate directors 7
26 Termination of alternate directorship 7
SECRETARY 8
27 Appointment and removal of secretary 8
PART 3 8
SHARES AND DISTRIBUTIONS 8
SHARES 8
28 Share Classes 8
29 Further issues of shares: authority 8
30 Further issues of shares: pre-emption rights 8
31 Powers to issue different classes of share 9
32 Variation of class rights 9
33 Company's lien over shares 9
34 Enforcement of the company's lien 9
35 Call notices 10
36 Liability to pay calls 10
37 When call notice need not be issued 10
38 Failure to comply with call notice: automatic consequences 11
39 Notice of intended forfeiture 11
40 Directors' power to forfeit shares 11
41 Effect of forfeiture 11
42 Procedure following forfeiture 12
43 Surrender of shares 12
44 Payment of commission on subscription for shares 12
45 Company not bound by less than absolute interests 12
46 Share certificates 12
47 Replacement share certificates 13
48 Transfer of shares- general 13
49 Voluntary Transfers: Pre-emption rights 13
50 Prohibited Transfers 16
51 Transmission of shares 16
52 Exercise of transmittees' rights 16
53 Transmittees bound by prior notices 16
54 Procedure for disposing of fractions of shares 16
DIVIDENDS AND OTHER DISTRIBUTIONS 17
55 Procedure for declaring dividends 17
56 Calculation of dividends 17
57 Payment of dividends and other distributions 17
58 Deductions from distributions in respect of sums owed to the company 17

59 No interest on distributions....18
60 Unclaimed distributions....18
61 Non-cash distributions....18
62 Waiver of distributions....18
CAPITALISATION OF PROFITS....18
63 Authority to capitalise and appropriation of capitalised sums....18
PART 4....19
DECISION-MAKING BY MEMBERS....19
ORGANISATION OF GENERAL MEETINGS....19
64 Convening general meetings....19
65 Notice of general meetings....19
66 Resolutions requiring special notice....19
67 Attendance and speaking at general meetings....19
68 Quorum for general meetings....20
69 Chairing general meetings....20
70 Attendance and speaking by directors and non-members....20
71 Adjournment....20
VOTING AT GENERAL MEETINGS....20
72 Voting: general....20
73 Errors and disputes....21
74 Poll votes....21
75 Content of proxy notices....21
76 Delivery of proxy notices....22
77 Representation of corporations at meetings....22
78 Amendments to resolutions....22
WRITTEN RESOLUTIONS....23
PART 5....23
MISCELLANEOUS PROVISIONS....23
COMMUNICATIONS....23
80 Means of communication to be used....23
ADMINISTRATIVE ARRANGEMENTS....24
81 Company seals....24
82 No right to inspect accounts and other records....24
83 Provision for employees on cessation of business....24
DIRECTORS' INDEMNITY AND INSURANCE....24
84 Indemnity....24
85 Insurance....24

PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

1 **Defined terms**

1.1 In these Articles, unless the context requires otherwise:

Allocation Notice has the meaning given to that term in Article 49.12;

appointor has the meaning given to that term in Article 24.1;

Articles means the Company's articles of association for the time being in force;

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

Buyer has the meaning given to that term in Article 49.12;

CA 2006 means the Companies Act 2006;

call has the meaning given to that term in Article 35.1;

call notice has the meaning given to that term in Article 35.1;

call payment date has the meaning given to that term in Article 38.2.1;

capitalised sum has the meaning given to that term in Article 63.1.2;

chairman has the meaning given to that term in Article 13.2;

chairman of the meeting has the meaning given to that term in Article 69;

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

Company's lien has the meaning given to that term in Article 33;

Conflict has the meaning given to that term in Article 16.2;

conflicted director means a director who has, or could have, a Conflict in a situation involving the Company and consequently whose vote is not to be counted in respect of any resolution to authorise such Conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such resolution is to be voted upon;

corporate representative has the meaning given to that term in Article 77;

director means a director of the Company, and includes any person occupying the position of director, by whatever name called;

distribution recipient has the meaning given to that term in Article 57.2;

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

electronic form has the meaning given to that term in section 1168 of CA 2006;

Excess Securities has the meaning given to that term in Article 30.3.2;

Excess Shares has the meaning given to that term in Article 49.11.1;

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

hard copy form has the meaning given to that term in section 1168 of CA 2006;

holder in relation to shares means the person whose name is entered in the register of members as the holder of the shares or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant;

instrument means a document in hard copy form;

lien enforcement notice has the meaning given to that term in Article 34;

Market Value has the meaning given to that term in Article 49.4.1;

member has the meaning given to that term in section 112 of CA 2006;

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these Articles;

non-conflicted director means any director who is not a conflicted director;

Offer Notice has the meaning given to that term in Articles 49.9 and 49.10;

ordinary resolution has the meaning given to that term in section 282 of CA 2006;

paid means paid or credited as paid;

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

partly-paid in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the Company;

persons entitled has the meaning given to that term in Article 63.1.2;

© The Association of Company Registration Agents Limited 2009. All rights reserved

Proposed Sale Price has the meaning given to that term in Article 49.2.3;

proxy notice has the meaning given to that term in Article 75.2;

proxy notification address has the meaning given to that term in Article 76.1;

relevant officer has the meaning given to that term in Articles 84.3.2 or 85.2.1, as the case may be;

relevant loss has the meaning given to that term in Article 85.2.2;

relevant rate has the meaning given to that term in Article 38.2.2;

Sale Price has the meaning given to that term in Article 49.4;

Sale Shares and **Sale Share** have the meanings respectively given to those terms in Article 49.2.1;

Seller has the meaning given to that term in Article 49.1;

shares means shares in the Company;

special resolution has the meaning given to that term in section 283 of CA 2006;

subsidiary has the meaning given to that term in section 1159 of CA 2006;

Total Transfer Condition has the meaning given to that term in Article 49.2.4;

transfer or **transferring** has the meaning given to those terms respectively in Article 48.1;

Transfer Notice has the meaning given to that term in Article 49.2;

transmittee means a person entitled to a share by reason of the death or bankruptcy of a holder or otherwise by operation of law;

United Kingdom means Great Britain and Northern Ireland;

Valuers means the appointed accountants or auditors for the time being of the Company, unless the appointed accountants or auditors give notice to the Company that they decline an instruction to report on the matter in question, when the Valuers shall be a firm of chartered accountants agreed between the Seller and the directors or, in default of such agreement within 10 working days following the notice from the appointed accountants or auditors declining to report, as appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of any such party; and

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

1.2 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 CA 2006 as in force on the date when these Articles become binding on the Company 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 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 and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force.

1.5 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.

1.6 No regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies, including but not limited to the Model Articles, shall apply to the Company, but the following shall be the articles of association of the Company.

2 **Liability of members**

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3 **Directors' general authority**

Subject to the Articles and to the applicable provisions for the time being of the Companies Acts, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

4 **Change of Company name**

Without prejudice to the generality of Article 3, the directors may resolve in accordance with Article 8 to change the Company's name.

5 **Members' reserve power**

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.

© The Association of Company Registration Agents Limited 2009. All rights reserved

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:

6.1.1 to such person or committee;

6.1.2 by such means (including by a power of attorney);

6.1.3 to such an extent;

6.1.4 in relation to such matters or territories; and

6.1.5 on such terms and conditions;

as they think fit.

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

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

7 **Committees**

7.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of 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.

7.3 Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

DECISION-MAKING BY DIRECTORS

8 **Directors to take decisions collectively**

8.1 The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with Article 9 (Directors' written resolutions) or otherwise as a unanimous decision taken in accordance with Article 10 (Unanimous decisions).

8.2 If:

8.2.1 the Company only has one director for the time being, and

8.2.2 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

8.3 Subject to the Articles, each director participating in a directors' meeting has one vote.

9 **Directors' written resolutions**

9.1 Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

9.2 If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

9.3 Notice of a proposed directors' written resolution must indicate:

9.3.1 the proposed resolution; and

9.3.2 the time by which it is proposed that the directors should adopt it.

9.4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

9.5 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.

10 **Unanimous decisions**

10.1 A decision of the directors is taken in accordance with this Article 10 when all non-conflicted directors indicate to each other by any means that they share a common view on a matter.

10.2 A decision may not be taken in accordance with this Article 10 if the non-conflicted directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

10.3 Once a directors' unanimous decision is taken in accordance with this Article 10 it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

© The Association of Company Registration Agents Limited 2009. All rights reserved

11 **Calling a directors' meeting**

11.1 Any director may call a directors' meeting by giving notice of the meeting to each of the directors (including alternate directors), whether or not he is absent from the United Kingdom, or by authorising the company secretary (if any) to give such notice.

11.2 Notice of any directors' meeting must indicate:

11.2.1 its proposed date and time;

11.2.2 where it is to take place; and

11.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

11.3 Subject to Article 11.4, notice of a directors' meeting must be given to each director but need not be in writing.

11.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company prior to or up to and including not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

12 **Participation in directors' meetings**

12.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

12.1.1 the meeting has been called and takes place in accordance with the Articles, and

12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

12.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

12.3 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.

13 **Chairing of directors' meetings**

13.1 The directors may appoint a director to chair their meetings.

13.2 The person so appointed for the time being is known as the chairman.

13.3 The directors may terminate the chairman's appointment at any time.

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

14 **Chairman's casting vote at directors' meetings**

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

14.2 Article 14.1 does not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director chairing the meeting is a conflicted director for the purposes of that meeting (or that part of that meeting at which the proposal is voted upon).

15 **Quorum for directors' meetings**

15.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

15.2 Subject to Article 15.3, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles and accordingly the quorum for the transaction of business in these circumstances shall be one.

15.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 16 (Directors' conflicts of interests) to authorise a director's Conflict, if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director.

16 **Directors' conflicts of interests**

16.1 For the purposes of this Article 16, a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

16.2 The directors may, in accordance with the requirements set out in this Article 16, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of CA 2006 to avoid conflicts of interest (such matter being hereinafter referred to as a **Conflict**).

16.3 A director seeking authorisation in respect of a Conflict shall declare to the other directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the other directors with such

© The Association of Company Registration Agents Limited 2009. All rights reserved

details of the relevant matter as are necessary for the other directors to decide how to address the Conflict, together with such other information as may be requested by the other directors.

16.4 Any authorisation under this Article 16 will be effective only if:

16.4.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors 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;

16.4.2 any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s); and

16.4.3 the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted.

16.5 Any authorisation of a Conflict under this Article 16 may (whether at the time of giving the authorisation or subsequently):

16.5.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;

16.5.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; or

16.5.3 be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

16.6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:

16.6.1 disclose such information to the directors or to any director or other officer or employee of the Company; or

16.6.2 use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

16.7 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

16.7.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

16.7.2 is not given any documents or other information relating to the Conflict;

16.7.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

16.8 Where the directors authorise a Conflict:

16.8.1 the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict;

16.8.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of CA 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation.

16.9 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 receives as director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or 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 nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA 2006.

16.10 Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with Article 16.5.2, and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office:

16.10.1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;

16.10.2 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the Company, in which he is in any way directly or indirectly interested;

© The Association of Company Registration Agents Limited 2009. All rights reserved

16.10.3 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;

16.10.4 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

16.10.5 shall not, by reason of his office, be accountable to the Company for any benefit which he (or anyone connected with him (as defined in section 252 of CA 2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of CA 2006.

16.11 For the purposes of this Article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

16.12 Subject to Article 16.13, 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.

16.13 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 **Records of decisions to be kept**

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

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

18 **Directors' discretion to make further rules**

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

APPOINTMENT AND TERMINATION OF APPOINTMENT OF DIRECTORS

19 **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

20 **Methods of appointing directors**

20.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

20.1.1 by ordinary resolution, or

20.1.2 by a decision of the directors.

20.2 In any case where, as a result of death or bankruptcy, the Company has no members and no directors, the transmittee(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

20.3 For the purposes of Article 20.2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

21 **Termination of director's appointment**

21.1 A person ceases to be a director as soon as:

21.1.1 that person ceases to be a director by virtue of any provision of CA 2006 or is prohibited from being a director by law;

21.1.2 a bankruptcy order is made against that person;

21.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts and the Company resolves that his office be vacated;

21.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

21.1.5 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

© The Association of Company Registration Agents Limited 2009. All rights reserved

22 **Directors' remuneration**

22.1 Directors may undertake any services for the Company that the directors decide.

22.2 Directors are entitled to such remuneration as the directors determine:

22.2.1 for their services to the Company as directors, and

22.2.2 for any other service which they undertake for the Company.

22.3 Subject to the Articles, a director's remuneration may:

22.3.1 take any form, and

22.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

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

23 **Directors' expenses**

23.1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary (if any) properly incur in connection with their attendance at:

23.1.1 meetings of directors or committees of directors,

23.1.2 general meetings, or

23.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

ALTERNATE DIRECTORS

24 **Appointment and removal of alternate directors**

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

24.1.1 exercise that director's powers; and

24.1.2 carry out that director's responsibilities,

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

24.2 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.

24.3 The notice must:

24.3.1 identify the proposed alternate; and

24.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

25 **Rights and responsibilities of alternate directors**

25.1 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.

25.2 Except as the Articles specify otherwise, alternate directors:

25.2.1 are deemed for all purposes to be directors;

25.2.2 are liable for their own acts and omissions;

25.2.3 are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 CA 2006 inclusive and Article 16); and

25.2.4 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.

25.3 A person who is an alternate director but not a director:

25.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes);

25.3.2 may participate in a unanimous decision of the directors (but only if his appointor does not participate); and

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

© The Association of Company Registration Agents Limited 2009. All rights reserved

25.4 A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present.

25.5 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.

26 **Termination of alternate directorship**

An alternate director's appointment as an alternate for any appointor terminates:

26.1 when that appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

26.2 when notification is received by the Company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;

26.3 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to that appointor, would result in the termination of that appointor's appointment as a director;

26.4 on the death of that appointor; or

26.5 when the alternate's appointor's appointment as a director terminates.

SECRETARY

27 **Appointment and removal of secretary**

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

PART 3
SHARES AND DISTRIBUTIONS
SHARES

28 **Share Classes**

The Share Classes and their respective rights shall be as follows:

ORDINARY

The ORDINARY Shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

29 **Further issues of shares: authority**

29.1 The following paragraphs of this Article shall not apply to a private company with only one class of shares.

29.2 Subject to Article 29.1 and save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

29.3 Subject to the remaining provisions of this Article and to Article 30 (Further issues of shares: pre-emption rights) and to any directions which may be given by the Company in general meeting, the directors are generally and unconditionally authorised, for the purpose of section 551 of CA 2006 to exercise any power of the Company to:

29.3.1 offer or allot;

29.3.2 grant rights to subscribe for or to convert any security into;

29.3.3 otherwise create, deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

29.4 The authority referred to in Article 29.3:

29.4.1 shall be limited to a maximum nominal amount of £1,000 in each share class;

29.4.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and

29.4.3 may only be exercised for a period of five years commencing on the date on which the Company is incorporated or these Articles are adopted whichever is the later, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such

© The Association of Company Registration Agents Limited 2009. All rights reserved

authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

30 **Further issues of shares: pre-emption rights**

30.1 In accordance with section 567(1) of CA 2006, sections 561 and 562 of CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of CA 2006) made by the Company.

30.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all members on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to such other person on a pari passu basis and pro rata to the nominal value of shares held by those members (as nearly as possible without involving fractions).

30.3 The offer:

30.3.1 shall be in writing, shall be open for acceptance for a period of fifteen working days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and

30.3.2 may stipulate that any member who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.

30.4 Any equity securities not accepted by members pursuant to the offer made to them in accordance with Articles 30.2 and 30.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 30.3.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Securities each member indicated he would accept bears to the total number of Excess Securities applied for (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any member beyond that applied for by him). After that allotment, any Excess Securities 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 members.

31 **Powers to issue different classes of share**

31.1 Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

31.2 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.

32 **Variation of class rights**

32.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with Article 32.2.

32.2 The consent of the holders of a class of shares may be given by:

32.2.1 a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or

32.2.2 a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class,

but not otherwise. To every such meeting, all the provisions of these Articles and CA 2006 relating to general meetings of the Company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class present in person or by proxy and holding or representing not less than one third in nominal value of the issued shares of the relevant class; that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

33 **Company's lien over shares**

The Company has a lien (**Company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future and whether or not a call notice has been sent in respect of it.

33.1 The Company's lien over a share:

33.1.1 takes priority over any third party's interest in that share, and

33.1.2 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.

33.2 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.

© The Association of Company Registration Agents Limited 2009. All rights reserved

34 **Enforcement of the company's lien**

34.1 Subject to the provisions of this Article 34, if:

34.1.1 a lien enforcement notice has been given in respect of a share, and

34.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that share in accordance with Article 42.5.

34.2 A lien enforcement notice:

34.2.1 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;

34.2.2 must specify the share concerned;

34.2.3 must be in writing and require payment of the sum payable within fourteen days of the notice;

34.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and

34.2.5 must state the Company's intention to sell the share if the notice is not complied with.

34.3 Where shares are sold under this Article 34:

34.3.1 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

34.3.2 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.

34.4 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:

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

34.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

34.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the Company's lien on a specified date:

34.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

34.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

35 **Call notices**

35.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (**call notice**) to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable by that member to the Company at the date when the directors decide to send the call notice.

35.2 A call notice:

35.2.1 must be in writing;

35.2.2 may not require a member to pay a call which exceeds the total amount of his indebtedness or liability to the Company;

35.2.3 must state when and how any call to which it relates it is to be paid; and

35.2.4 may permit or require the call to be paid by instalments.

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

35.4 Before the Company has received any call due under a call notice the directors may:

35.4.1 revoke it wholly or in part, or

35.4.2 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.

36 **Liability to pay calls**

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

© The Association of Company Registration Agents Limited 2009. All rights reserved

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

36.3 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:

36.3.1 to pay calls which are not the same, or

36.3.2 to pay calls at different times.

37 When call notice need not be issued

37.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:

37.1.1 on allotment;

37.1.2 on the occurrence of a particular event; or

37.1.3 on a date fixed by or in accordance with the terms of issue.

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

38 Failure to comply with call notice: automatic consequences

38.1 If a person is liable to pay a call and fails to do so by the call payment date:

38.1.1 the directors may issue a notice of intended forfeiture to that person, and

38.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

38.2 For the purposes of this Article 38:

38.2.1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice in writing specifying a later date, in which case the **call payment date** is that later date;

38.2.2 the **relevant rate** is:

38.2.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

38.2.2.2 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

38.2.2.3 if no rate is fixed in either of these ways, five per cent. (5%) per annum.

38.3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

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

39 Notice of intended forfeiture

39.1 A notice of intended forfeiture:

39.1.1 must be in writing;

39.1.2 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

39.1.3 must be sent to the holder of that share (or, in the case of joint holders of a share in accordance with Article 80.6) or to a transmittee of that holder in accordance with Article80.7;

39.1.4 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than fourteen days after the date of the notice;

39.1.5 must state how the payment is to be made; and

39.1.6 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.

40 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.

41 Effect of forfeiture

41.1 Subject to the Articles, the forfeiture of a share extinguishes:

41.1.1 all interests in that share, and all claims and demands against the Company in respect of it, and

© The Association of Company Registration Agents Limited 2009. All rights reserved

41.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

41.2 Any share which is forfeited in accordance with the Articles:

41.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

41.2.2 is deemed to be the property of the Company; and

41.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit in accordance with Article 42.5.

41.3 If a person's shares have been forfeited:

41.3.1 the Company must send that person written notice that forfeiture has occurred and record it in the register of members;

41.3.2 that person ceases to be a member in respect of those shares;

41.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;

41.3.4 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

41.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

41.4 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.

42 **Procedure following forfeiture**

42.1 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.

42.2 A statutory declaration by a director or the Company secretary (if any) that the declarant is a director or the Company secretary (as the case may be) and that a share has been forfeited on a specified date:

42.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

42.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

42.3 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.

42.4 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:

42.4.1 was, or would have become, payable, and

42.4.2 had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

42.5 All shares to be sold in the enforcement of the company's lien or rights of forfeiture shall be offered in accordance with Article 49 (Voluntary Transfers) as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the holder of those shares save that the Sale Price shall be the Market Value of those shares and the Transfer Notice shall be deemed not to contain a Total Transfer Condition.

43 **Surrender of shares**

43.1 A member may surrender any share:

43.1.1 in respect of which the directors may issue a notice of intended forfeiture;

43.1.2 which the directors may forfeit; or

43.1.3 which has been forfeited.

43.2 The directors may accept the surrender of any such share.

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

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

44 **Payment of commission on subscription for shares**

44.1 The Company may pay any person a commission in consideration for that person:

44.1.1 subscribing, or agreeing to subscribe, for shares; or

© The Association of Company Registration Agents Limited 2009. All rights reserved

44.1.2 procuring, or agreeing to procure, subscriptions for shares.

44.2 Any such commission may be paid:

44.2.1 in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other; and

44.2.2 in respect of a conditional or an absolute subscription.

45 **Company not bound by less than absolute interests**

45.1 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.

46 **Share certificates**

46.1 The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

46.2 Every certificate must specify:

46.2.1 in respect of how many shares, of what class, it is issued;

46.2.2 the nominal value of those shares;

46.2.3 the extent to which shares are paid up; and

46.2.4 any distinguishing numbers assigned to them.

46.3 No certificate may be issued in respect of shares of more than one class.

46.4 If more than one person holds a share, only one certificate may be issued in respect of it.

46.5 Certificates must:

46.5.1 have affixed to them the Company's common seal, or

46.5.2 be otherwise executed in accordance with the Companies Acts.

47 **Replacement share certificates**

47.1 If a certificate issued in respect of a member's shares is:

47.1.1 damaged or defaced, or

47.1.2 said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares.

47.2 A member exercising the right to be issued with such a replacement certificate:

47.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

47.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

47.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

48 **Transfer of shares- general**

48.1 In these Articles, a reference to the **transfer** of or **transferring** shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

48.1.1 of any share or shares of the Company; or

48.1.2 of any interest of any kind in any share or shares of the Company; or

48.1.3 of any right to receive or subscribe for any share or shares of the Company.

48.2 The directors shall not register the transfer of any share or any interest in any share unless the transfer is made in accordance with Article 49 (Voluntary Transfers), and, in any such case, is not prohibited under Article 50 (Prohibited Transfers).

48.3 If the directors refuse to register a transfer of a share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal.

48.4 An obligation to transfer a share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

48.5 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and (if any of the shares is partly paid) the transferee.

48.6 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

48.7 The Company may retain any instrument of transfer which is registered.

© The Association of Company Registration Agents Limited 2009. All rights reserved

48.8 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

49 **Voluntary Transfers: Pre-emption rights**

49.1 If any member wishes to transfer any shares (**Seller**) to a third party, such shares must first be offered to the other members of the Company in the manner set out in this Article 49 before the Seller is able to transfer or agree to transfer such shares to a third party.

49.2 A Seller must first serve notice in writing (**Transfer Notice**) on the Company of his wish to make a transfer of his shares and must set out in the Transfer Notice:

49.2.1 the number and class of shares (**Sale Shares** and each one a **Sale Share**) which he wishes to transfer;

49.2.2 if there is a specific proposed transferee to whom the Seller wishes to transfer the Sale Shares, the identity of such third party;

49.2.3 the price per share at which the Seller wishes to transfer the Sale Shares (**Proposed Sale Price**); and

49.2.4 whether the Transfer Notice is conditional upon all (and not some) of the Sale Shares being sold pursuant to the following provisions of this Article 49 (**Total Transfer Condition**).

49.3 Each Transfer Notice shall:

49.3.1 relate to one class of shares only;

49.3.2 constitute the Company as the agent of the Seller for the sale of the Sale Shares on the terms of this Article 49; and

49.3.3 save as provided in Article 49.8, be irrevocable.

49.4 After the Transfer Notice is served on the Company by the Seller, the Sale Shares shall be offered for purchase in accordance with this Article 49 at a price per Sale Share (**Sale Price**) agreed between the Seller and the directors or, if there is no such agreement by the end of the 15th working day after the date of service of the Transfer Notice:

49.4.1 if the directors so elect during that fifteen working day period, the Sale Price shall be the price per Sale Share reported on by the Valuers as their written opinion of the open market value of each Sale Share (**Market Value**) as at the date of service of the Transfer Notice (in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuer's report); or

49.4.2 otherwise the Sale Price shall be the Proposed Sale Price (in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of that 15th working day).

49.5 If instructed to report on their opinion of Market Value under Article 49.4, the Valuers shall:

49.5.1 act as expert and not as arbitrator and their written determination shall be final and binding on the members; and

49.5.2 proceed on the basis that:

49.5.2.1 the open market value of each Sale Share shall be the sum which a willing buyer would agree with a willing seller to be the purchase price for all the class of shares of which the Sale Shares form part, divided by the number of issued shares then comprised in that class;

49.5.2.2 there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and

© The Association of Company Registration Agents Limited 2009. All rights reserved

49.5.2.3 any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

49.6 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the directors and the Seller within twenty-eight days of being requested to do so.

49.7 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers shall specify in their valuation having regard to the conduct of the parties and the merit of their arguments in respect of the matters in dispute or otherwise (in the absence of any such specification by the Valuers) as to one half by the Seller and as to the other half by the Company unless the Seller revokes the Transfer Notice pursuant to Article 49.8, in which case the Seller shall pay all the Valuers' fees.

49.8 If the Market Value is reported on by the Valuers under Article 49.4 to be less than the Proposed Sale Price, the Seller may revoke any Transfer Notice which was not stated to be, or is not deemed by these Articles to be, irrevocable by giving written notice to the directors within the period of five working days after the date the Seller is provided the Valuers' written opinion of the Market Value.

49.9 The directors shall at least ten working days after and no more than twenty working days after the Sale Price has been agreed or determined give an Offer Notice to all members to whom the Sale Shares are to be offered in accordance with these Articles.

49.10 An Offer Notice shall:

49.10.1 specify the Sale Price;

49.10.2 contain the other details included in the Transfer Notice; and

49.10.3 invite each of the members (other than the Seller) to apply in writing within twenty working days after service of such Offer Notice setting out the number of Sale Shares he wishes to acquire and, if he so desires, that he would be willing to purchase a particular proportionate entitlement of such Sale Shares as set out in Article 49.11.1,

and shall expire twenty working days after its service.

49.11 After the expiry date of the Offer Notice, the directors shall allocate the Sale Shares in accordance with the applications received save that:

49.11.1 if there are applications from members for more than the number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any member more Sale Shares than the maximum number applied for by him) to the number of shares then held by them respectively; however, if any members indicate that they would be willing to purchase a particular proportionate entitlement (**Excess Shares**), in which case, applications for Excess Shares shall be allocated in accordance with such applications, or in the event of competition among those members applying for Excess Shares in such proportions as equal (as nearly as may be) to the proportions of all the shares held by such members;

49.11.2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst them in such manner as the Board shall think fit; and

49.11.3 if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

49.12 The directors shall, within five working days of the expiry date of the Offer Notice, give notice in writing (**Allocation Notice**) to the Seller and to each person to whom Sale Shares have been allocated (each a **Buyer**) setting out:

49.12.1 the name and address of each Buyer;

49.12.2 the number and class of Sale Shares agreed to be purchased by each Buyer;

49.12.3 the aggregate price payable for them; and

© The Association of Company Registration Agents Limited 2009. All rights reserved

49.12.4 the date and time when each Buyer must pay the Seller in respect of the Sale Shares allocated to such Buyer and the Seller must deliver the relative share certificate(s) to that Buyer.

49.13 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the date and time specified in the Allocation Notice when the Seller shall, upon payment to him by a Buyer of the Sale Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate(s) to that Buyer.

49.14 The Seller may, during the period of thirty working days immediately following the expiry date of the Offer Notice, sell all or any of these Sale Shares, for which an Allocation Notice has not been given, by way of bona fide sale to the proposed transferee named in the Transfer Notice or, if none was so named, to any transferee, in either case at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:

49.14.1 the Seller may not transfer such share and the directors shall not register any transfer to a transferee who is not at that date a member unless such transferee is first approved in writing by the directors; and

49.14.2 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of the directors, to sell only some of the Sale Shares under this Article 49.14.

49.15 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 49, the directors may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the Seller for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Seller's behalf. The Company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of members in purported exercise of the power conferred by this Article 49.15 the validity of the proceedings shall not be questioned by any person.

50 **Prohibited Transfers**

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

51 **Transmission of shares**

51.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

51.2 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.

51.3 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

51.3.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and

51.3.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

51.4 But, subject to Article 20.2 (Methods of appointing directors), transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

52 **Exercise of transmittees' rights**

52.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

52.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

52.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

© The Association of Company Registration Agents Limited 2009. All rights reserved

53 **Transmittees bound by prior notices**

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 or the name of any person nominated under Article 51.3 (Transmission of shares), has been entered in the register of members.

54 **Procedure for disposing of fractions of shares**

54.1 This Article applies where:

54.1.1 there has been a consolidation or division of shares; and

54.1.2 as a result, members are entitled to fractions of shares.

54.2 The directors may:

54.2.1 sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable;

54.2.2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

54.2.3 distribute the net proceeds of sale in due proportion among the holders of the shares.

54.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

54.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

DIVIDENDS AND OTHER DISTRIBUTIONS

55 **Procedure for declaring dividends**

55.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

55.2 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.

55.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.

55.4 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.

55.5 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.

55.6 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.

55.7 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.

56 **Calculation of dividends**

56.1 Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be:

56.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

56.1.2 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 in paid.

56.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

57 **Payment of dividends and other distributions**

57.1 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:

57.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

57.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

57.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

© The Association of Company Registration Agents Limited 2009. All rights reserved

57.1.4 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.

57.2 In these Articles, the **distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable:

57.2.1 the holder of the share; or

57.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

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

58 **Deductions from distributions in respect of sums owed to the company**

58.1 If:

58.1.1 a share is subject to the Company's lien; and

58.1.2 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.

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

58.3 The Company must notify the distribution recipient in writing of:

58.3.1 the fact and amount of any such deduction;

58.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and

58.3.3 how the money deducted has been applied.

59 **No interest on distributions**

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

59.1.1 the terms on which the share was issued, or

59.1.2 the provisions of another agreement between the holder of that share and the Company.

60 **Unclaimed distributions**

60.1 All dividends or other sums which are:

60.1.1 payable in respect of shares, and

60.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

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

60.3 If:

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

60.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

61 **Non-cash distributions**

61.1 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).

61.2 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:

61.2.1 fixing the value of any assets;

61.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

61.2.3 vesting any assets in trustees.

© The Association of Company Registration Agents Limited 2009. All rights reserved

62 **Waiver of distributions**

62.1 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:

62.1.1 the share has more than one holder, or

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

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

CAPITALISATION OF PROFITS

63 **Authority to capitalise and appropriation of capitalised sums**

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

63.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

63.1.2 appropriate any sum which they so decide to capitalise (**capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (**persons entitled**) and in the same proportions.

63.2 Capitalised sums must be applied:

63.2.1 on behalf of the persons entitled, and

63.2.2 in the same proportions as a dividend would have been distributed to them.

63.3 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.

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

63.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or

63.4.2 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.

63.5 Subject to the Articles the directors may:

63.5.1 apply capitalised sums in accordance with paragraphs 63.3 and 63.4 partly in one way and partly in another;

63.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and

63.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article 63.

PART 4
DECISION-MAKING BY MEMBERS
ORGANISATION OF GENERAL MEETINGS

64 **Convening general meetings**

The directors may call general meetings and, on the requisition of members pursuant to the provisions of CA 2006, shall forthwith proceed to convene a general meeting in accordance with CA 2006. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the members requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the Company has only a single member, such member shall be entitled at any time to call a general meeting.

65 **Notice of general meetings**

65.1 General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.

65.2 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.

65.3 Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member (if the

© The Association of Company Registration Agents Limited 2009. All rights reserved

company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the Company.

65.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

66 **Resolutions requiring special notice**

66.1 If CA 2006 requires special notice to be given of a resolution, then the resolution will not be effective unless notice of the intention to propose it has been given to the Company at least twenty-eight Clear Days before the general meeting at which it is to be proposed.

66.2 Where practicable, the Company must give the members notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the Company must give the members at least fourteen Clear Days' before the relevant general meeting by advertisement in a newspaper with an appropriate circulation.

66.3 If, after notice to propose such a resolution has been given to the Company, a meeting is called for a date twenty-eight days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the time required by Article 66.1.

67 **Attendance and speaking at general meetings**

67.1 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.

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

67.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

67.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

67.3 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.

67.4 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.

67.5 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.

68 **Quorum for general meetings**

68.1 No business shall be transacted at any meeting unless a quorum is present. Subject to section 318(2) of CA 2006, two qualifying persons (as defined in section 318(3) of CA 2006) entitled to vote upon the business to be transacted shall be a quorum; provided that if the Company has only a single member, the quorum shall be one such qualifying person.

68.2 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.

69 **Chairing general meetings**

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

69.2 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:

69.2.1 the directors present, or

69.2.2 (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.

69.3 The person chairing a meeting in accordance with this Article is referred to as the **chairman of the meeting**.

70 **Attendance and speaking by directors and non-members**

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

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

70.2.1 members of the Company, or

70.2.2 otherwise entitled to exercise the rights of members in relation to general meetings,

to attend and speak at a general meeting.

71 **Adjournment**

71.1 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

© The Association of Company Registration Agents Limited 2009. All rights reserved

adjourn it. If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

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

71.2.1 the meeting consents to an adjournment, or

71.2.2 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.

71.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

71.4 When adjourning a general meeting, the chairman of the meeting must:

71.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

71.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

71.5 If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, the Company must give at least seven Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

71.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and

71.5.2 containing the same information which such notice is required to contain.

71.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

72 **Voting: general**

72.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles. Subject to any rights or restrictions attached to any shares, on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (unless the representative is himself a member, in which case he shall have more than one vote) shall have one vote. A proxy shall not be entitled to vote on a show of hands.

72.2 No member shall vote at any general meeting or at any separate meeting of the holder of any class of shares, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid.

72.3 In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

72.4 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

73 **Errors and disputes**

73.1 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.

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

74 **Poll votes**

74.1 On a poll every member who (being an individual is present in person or by proxy) or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

74.2 A poll on a resolution may be demanded:

74.2.1 in advance of the general meeting where it is to be put to the vote, or

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

74.3 A poll may be demanded by:

74.3.1 the chairman of the meeting;

74.3.2 the directors;

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

© The Association of Company Registration Agents Limited 2009. All rights reserved

74.3.4 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution; or

74.3.5 a person or persons holding shares conferring a right to vote on the resolution on which not less than one tenth of the total sum paid up on all the shares conferring that right.

74.4 A demand for a poll may be withdrawn if:

74.4.1 the poll has not yet been taken, and

74.4.2 the chairman of the meeting consents to the withdrawal.

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

74.5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

74.6 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

74.7 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

75 **Content of proxy notices**

75.1 Subject to the provisions of these Articles, a member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

75.2 Proxies may only validly be appointed by a notice in writing (**proxy notice**) which:

75.2.1 states the name and address of the member appointing the proxy;

75.2.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

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

75.2.4 is delivered to the Company in accordance with the Articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the Company:

75.2.4.1 subject to Articles 75.2.4.2 and 75.2.4.3 in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

75.2.4.2 in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

75.2.4.3 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later,

and a proxy notice which is not delivered and received in such manner shall be invalid.

75.3 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

75.4 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 and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the Company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting.

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

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

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

© The Association of Company Registration Agents Limited 2009. All rights reserved

76 **Delivery of proxy notices**

76.1 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.

76.2 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 to a proxy notification address.

76.3 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

76.4 A notice revoking a proxy appointment only takes effect if it is received by the Company:

76.4.1 in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

76.4.2 in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four before the time appointed for the taking of the poll; or

76.4.3 in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later,

and a notice which is not delivered and received in such manner shall be invalid.

76.5 In calculating the periods referred to in Article 75 (Content of proxy notices) and this Article 76, no account shall be taken of any part of a day that is not a working day.

76.6 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

77 **Representation of corporations at meetings**

Subject to CA 2006, a company which is a member may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (**corporate representative**). A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

78 **Amendments to resolutions**

78.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

78.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

78.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

78.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

78.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

78.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

78.3 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.

WRITTEN RESOLUTIONS

79 A resolution of the members (or a class of members) may be passed as a written resolution in accordance with chapter 2 of part 13 of CA 2006.

PART 5
MISCELLANEOUS PROVISIONS
COMMUNICATIONS

80 **Means of communication to be used**

80.1 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 of CA 2006 provides for documents or information which are authorised or required by any provision of CA 2006 to be sent or supplied by or to the Company.

80.2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

© The Association of Company Registration Agents Limited 2009. All rights reserved

80.2.1 If properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

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

80.2.3 If properly addressed and send or supplied by electronic means 48 hours after the document or information was sent or supplied; and

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

For the purposes of this Article 80.2, no account shall be taken of any part of a day that is not a working day.

80.3 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 of CA 2006.

80.4 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.

80.5 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.

80.6 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Notice so given shall be sufficient notice to all of the joint holders. Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint holders. The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder (s) whose name(s) stand later in the register.

80.7 The Company may give notice to the transmittee of a member, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

ADMINISTRATIVE ARRANGEMENTS

81 **Company seals**

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

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

81.3 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 either at least two authorised persons or by at least one authorised person in the presence of a witness who attests the signature.

81.4 For the purposes of this Article, an authorised person is:

81.4.1 any director of the Company;

81.4.2 the Company secretary (if any); or

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

82 **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.

83 **Provision for employees on cessation of business**

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

DIRECTORS' INDEMNITY AND INSURANCE

84 **Indemnity**

84.1 Subject to Article 84.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

© The Association of Company Registration Agents Limited 2009. All rights reserved

84.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

84.1.1.2 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 CA 2006),

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

84.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 84.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

84.2 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.

84.3 In this Article 84:

84.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

84.3.2 a **relevant officer** means any director or alternate 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 CA 2006) and may, if the members so decide, include any person engaged by the Company (or any 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).

85 **Insurance**

85.1 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.

85.2 In this Article 85:

85.2.1 a **relevant officer** means any director or alternate 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 CA 2006;

85.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that 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

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

© The Association of Company Registration Agents Limited 2009. All rights reserved