

FILE COPY



CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

Company Number 11603927

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

AARDMAN EMPLOYEE OWNERSHIP TRUSTEE LIMITED

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

Given at Companies House, Cardiff, on **4th October 2018**



* N11603927G *



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

IN01_(ef)

Application to register a company



Received for filing in Electronic Format on the: **03/10/2018**

X7FSVEOR

<i>Company Name in full:</i>	AARDMAN EMPLOYEE OWNERSHIP TRUSTEE LIMITED
<i>Company Type:</i>	Private company limited by guarantee
<i>Situation of Registered Office:</i>	England and Wales
<i>Proposed Registered Office Address:</i>	GAS FERRY ROAD BRISTOL BRISTOL UNITED KINGDOM BS1 6UN
<i>Sic Codes:</i>	74990

Proposed Officers

Company Director 1

Type: **Person**

Full Forename(s): **MR KERRY ANTHONY**

Surname: **LOCK**

Service Address: **GAS FERRY ROAD
BRISTOL
BS1 6UN**

***Country/State Usually
Resident:*** **UNITED KINGDOM**

Date of Birth: ****/02/1969** ***Nationality:*** **BRITISH**

Occupation: **ACCOUNTANT**

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

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 KERRY ANTHONY LOCK**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: ****/02/1969** ***Nationality:*** **BRITISH**

Service Address: **GAS FERRY ROAD
BRISTOL
BS1 6UN**

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.

<i>Nature of control</i>	The person holds, directly or indirectly, more than 25% but not more than 50 % of the voting rights in the company.
<i>Nature of control</i>	The person has the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.

Statement of Guarantee

I confirm that if the company is wound up while I am a member, or within one year after I cease to be a member, I will contribute to the assets of the company by such amount as may be required for:

- payments of debts and liabilities of the company contracted before I cease to be a member;
- payments of costs, charges and expenses of winding up, and;
- adjustment of the rights of the contributors among ourselves, not exceeding the specified amount below.

Name: **KERRY ANTHONY LOCK**

Address **GAS FERRY ROAD
BRISTOL
BS1 6UN**

Amount Guaranteed **GBP1**

Statement of Compliance

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

Authorisation

Authoriser Designation: **subscriber**

Authenticated **YES**

COMPANY NOT HAVING A SHARE CAPITAL

Memorandum of Association of

Aardman Employee Ownership Trustee 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.

Name of each subscriber	Authentication by each subscriber
Mr Kerry Anthony Lock	Mr Kerry Anthony Lock

Dated 2/10/2018

Articles of Association

COMPANY NOT HAVING A SHARE CAPITAL

Aardman Employee Ownership
Trustee Limited

Memorandum of Association of

Aardman Employee Ownership Trustee Limited
(Company number:)

Contents

Clauses

1	Defined terms.....	2
2	Liability of Members.....	4
3	Appointment and removal of Trustee Directors.....	5
4	Independent Trustee Director(s).....	5
5	Partner Trustee Directors.....	6
6	Executive Board Trustee Director.....	6
7	Retirement of Directors.....	7
8	Directors' general authority.....	7
9	Directors to take decisions collectively.....	7
10	Unanimous decisions.....	8
11	Calling a Directors' meeting.....	8
12	Participation in Directors' meetings.....	8
13	Quorum for Directors' meetings.....	8
14	Chairing of Directors' meetings.....	9
15	Casting vote.....	9
16	Conflicts of interest.....	9
17	Directors' discretion to make further rules.....	11
18	Directors' remuneration.....	11
19	Directors' expenses.....	11
20	Applications for Membership.....	12
21	Termination of Membership.....	12
22	Poll Votes.....	12
23	Proxies.....	12
24	Means of communication to be used.....	12
25	Company seals.....	13
26	Inspection of accounts and other records.....	13
27	Indemnity.....	13
28	Insurance.....	14

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

AARDMAN EMPLOYEE OWNERSHIP TRUSTEE LIMITED (Company number:)

It is agreed as follows

1 Defined terms

1.1 In these articles, unless the context requires otherwise:

Articles	means the articles of association of the Company
Companies Acts	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company
Company	means Aardman Employee Ownership Trustee Limited (Company number: <i>[insert number]</i>)
Control	has the meaning given by Section 995 of the Income Tax Act 2007
Executive Board Trustee Director	means an individual who: (a) is a director of Aardman Holdings Limited; and (b) has been nominated to hold office as a Trustee Director by the directors of Aardman Holdings Limited
Founder Director	means either David Sproxton or Peter Lord
Group	means Aardman Holdings Limited and any other company which for the time being is: (a) is under the Control of Aardman Holdings Limited; and (b) is a Subsidiary of Aardman Holdings Limited
[Guiding Principles and Constitution	means the Guiding Principles and Constitution of Aardman Holdings Limited (registered in England and Wales with number 02672880)] ¹

¹ This document may be named the Aardman EO Handbook or Charter, so this reference is to be checked once all documentation is finalised.

Independent Trustee Director	means an individual who: <ul style="list-style-type: none"> (a) is not a current director or employee of any other member of the Group; and (b) in the opinion of the chair of the Trustee Directors, possesses the appropriate experience and expertise to act as an independent Trustee Director
Member	has the meaning given in section 112 of the Companies Act 2006
Model Articles	means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (S/2008/3229) as amended prior to the date of adoption of these Articles
Partner Representative Group	means the body of that name established (or to be established) in accordance with the Guiding Principles and Constitution
Partner Trustee Director	means a person who has been selected and nominated to hold office as a Trustee Director by the Partners Representative Group
Subsidiary	has the meaning given in section 1159 of the Companies Act 2006
Trust	means the settlement constituted by a trust deed made between Aardman Holdings Limited and the Company and presently known as the Aardman Employee Ownership Trust
Trustee Director	means a director of the Company, and includes any person occupying the position of director, by whatever name called

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any subordinate legislation from time to time made under that statute or statutory provision.

- 1.6 Any word following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 The following Model Articles shall not apply to the Company:
 - 1.8.1 1 (Defined terms);
 - 1.8.2 2 (Liability of Members);
 - 1.8.3 8 (Unanimous decisions);
 - 1.8.4 9(1) and (3) (Calling a directors' meeting);
 - 1.8.5 11(2) and (3) (Quorum for directors' meeting);
 - 1.8.6 13 (Casting vote);
 - 1.8.7 14 (1), (2), (3) and (4) (Conflicts of interest);
 - 1.8.8 17(2) (Methods of appointing directors);
 - 1.8.9 21 (Applications for membership);
 - 1.8.10 22 (Termination of membership);
 - 1.8.11 30(2) (Poll votes);
 - 1.8.12 31(1)(d) (Content of proxy notices);
 - 1.8.13 35 (Company seals);
 - 1.8.14 38 (Indemnity);
 - 1.8.15 39 (Insurance).
- 1.9 Model Article 7 (Directors to take decisions collectively) shall be amended by:
 - 1.9.1 the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
 - 1.9.2 the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

2 Liability of Members

- 2.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound-up while he is a Member or within one year after he ceases to be a Member, for:
 - 2.1.1 payment of the Company's debts and liabilities contracted before he ceases to be a member;
 - 2.1.2 payment of the costs, charges and expenses of winding-up; and
 - 2.1.3 adjustment of the rights of the contributories among themselves.

3 Appointment and removal of Trustee Directors

- 3.1 Subject to the following provisions of these articles, each Trustee Director shall be appointed, and may be removed from office as a Trustee Director, by an ordinary resolution of the Members.
- 3.2 For so long as the Company is a trustee of the Trust, there shall at all times be:
- 3.2.1 at least five Trustee Directors, three of whom are resident in the UK for tax purposes; and
 - 3.2.2 at least one Trustee Director shall be a Partner Trustee Director; and
 - 3.2.3 at least two Trustee Directors shall be an Independent Trustee Director; and
 - 3.2.4 at least one Trustee Director shall be an Executive Board Trustee Director; and

and every Trustee Director who is not an Independent Trustee Director must be an individual who is, or has been, an employee or director of the Group, SAVE THAT, for the initial 6 months commencing on the date of these Articles, there shall be no requirement for any of the Trustee Directors to be a Partner Trustee Director or an Executive Board Trustee Director.

- 3.3 The Founders Directors shall be entitled, at any time, to be appointed as a Trustee Director provided they are not at that time a director of Aardman Holdings Limited. On receipt of notice in writing from a Founder Director that they wish to be appointed as a Trustee Director, the existing Trustee Directors or the Members shall procure that such individual is appointed to hold office as a Trustee Director.
- 3.4 Each Trustee Director shall become a Member immediately following his or her appointment as a Trustee Director and for as long as they hold office with the Company. Upon cessation as a Trustee Director, a person shall cease to be a Member.

4 Independent Trustee Director(s)

- 4.1 An Independent Trustee Director may be appointed a Trustee Director upon such terms as to remuneration and otherwise as may be agreed at the time of his appointment by the Company (on the one hand) and the Independent Trustee Director (on the other hand) PROVIDED ALWAYS that such an appointment shall be valid only if the terms provide that such Independent Trustee Director may be removed at any time in accordance with these Articles.
- 4.2 An Independent Trustee Director shall be appointed for an initial fixed term of 3 years beginning with the date of his or her appointment as a Trustee Director (save that in the case of the 3 initial appointments:
- 4.2.1 the Independent Trustee Director selected as chair in accordance with Article 14 shall have an initial fixed term of 3 years;
 - 4.2.2 the other two Independent Trustee Directors shall, at the selection and direction of the chair, have appointments of fixed terms of 2 years and 1 year respectively).

An Independent Trustee Director shall automatically cease to hold office as a Trustee Director at the end of that period and the chair of the Trustee Directors shall (unless the remaining Trustee Directors unanimously agree in writing that no replacement is

required), as soon as practicable following such cessation, select and nominate an individual eligible to act as a replacement Independent Trustee Director.

- 4.3 An Independent Trustee Director shall automatically cease to hold office as a Trustee Director if he or she becomes a director or employee of any other member of the Group or if all of the other Trustee Directors together determine that his or her independence has been compromised for any reason and give notice in writing to that effect to such Independent Trustee Director.

5 Partner Trustee Directors

- 5.1 No person shall be appointed to hold office as a Partner Trustee Director unless:
- 5.1.1 he or she has been selected and nominated to hold office as a Trustee Director in accordance with a procedure determined by the Partner Representative Group and which is not inconsistent with the terms of the Guiding Principles and Constitution; and
 - 5.1.2 he or she has confirmed in writing his or her willingness to hold such office.
- 5.2 A Partner Trustee Director shall automatically cease to hold office as a Trustee Director if he or she gives or receives notice of termination of employment or association with any member of the Group or ceases for any reason to be an employee of or otherwise associated with any member of the Group.
- 5.3 A Partner Trustee Director shall be appointed for an initial fixed term of 2 years beginning with the date of his or her appointment as a Trustee Director and shall automatically cease to hold office as a Trustee Director at the end of that period and if there will then be no Partner Trustee Director, the remaining Trustee Directors shall, as soon as practicable, call upon the Partner Representative Group to select and nominate an eligible individual to hold office as a Partner Trustee Director.
- 5.4 As soon as practicable after the Company receives notice in writing of the name and address of an eligible individual who has been selected and nominated for appointment as a Partner Trustee Director, the remaining Trustee Directors or the Members shall procure that such individual is appointed to hold office as a Partner Trustee Director SAVE THAT neither the remaining Trustee Directors nor the Members shall be obliged to appoint such individual as a Trustee Director if, in their unanimous opinion, such appointment would not be in the best interests of the Company and in this event the Company shall invite the Partner Representative Group to select and nominate another eligible employee for appointment as a Partner Trustee Director.
- 5.5 The Partner Representative Group may at any time, by giving notice in writing to the Company, request that a Partner Trustee Director be removed from office as a Trustee Director and, if such Partner Trustee Director does not resign as a Trustee Director, the other Trustee Directors shall requisition a written resolution of Members pursuant to section 168 of the Act.

6 Executive Board Trustee Director

- 6.1 As soon as practicable after the Company receives notice in writing of the name and address of a person who has been selected and nominated for appointment by the board of directors of Aardman Holdings Limited as the Executive Board Trustee Director, the remaining Trustee Directors or the Members shall procure that such individual is appointed to hold office as a Trustee Director SAVE THAT neither the remaining Trustee Directors nor the Members shall be obliged to appoint such individual as a Trustee Director if, in their unanimous opinion, such appointment would

not be in the best interests of the Company and in this event the Company shall invite the board of directors of Aardman Holdings Limited to select and nominate another eligible person for appointment as an Executive Board Trustee Director.

- 6.2 An Executive Board Trustee Director shall automatically cease to hold office as a Trustee Director if he or she gives or receives notice of employment or otherwise ceases to hold office with Aardman Holdings Limited.
- 6.3 Aardman Holdings Limited may at any time, by giving notice in writing to the Company, request that an Executive Board Trustee Director be removed from office as a Trustee Director and, if such Executive Board Trustee Director does not resign as a Trustee Director, the other Trustee Directors shall requisition a written resolution of Members pursuant to section 168 of the Act.

7 Retirement of Directors

- 7.1 A Trustee Director shall retire and his office as a director of the Company shall automatically be vacated if:
 - 7.1.1 that person was resident in the UK for tax purposes on appointment and ceases for any reason to be resident in the UK for tax purposes; or
 - 7.1.2 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
 - 7.1.3 a bankruptcy order is made against that person;
 - 7.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 7.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; and
 - 7.1.6 notification is received by the Company from that person that that person is resigning from office as a Trustee Director, and such resignation has taken effect in accordance with its terms;
 - 7.1.7 save in the case of the Founder Directors, he or she has served two terms as a Trustee Director;
 - 7.1.8 in the case of the Founder Directors, they are or become a director of Aardman Holdings Limited.

8 Directors' general authority

- 8.1 Subject to the articles, the Trustee Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

9 Directors to take decisions collectively

- 9.1 The general rule about decision-making by Trustee Directors is that any decision of the Trustee Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 10.

10 Unanimous decisions

- 10.1 A decision of the Trustee Directors is taken in accordance with this article when all eligible Trustee Directors indicate to each other by any means that they share a common view on a matter.
- 10.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Trustee Director or to which each eligible Trustee Director has otherwise indicated agreement in writing.
- 10.3 References in this article to eligible Trustee Directors are to Trustee Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Trustee Directors' meeting.
- 10.4 A decision may not be taken in accordance with this article if the eligible Trustee Directors would not have formed a quorum at such a meeting.

11 Calling a Directors' meeting

- 11.1 Any Trustee Director may call a meeting of the Trustee Directors by giving notice of the meeting to the Trustee Directors or by authorising the secretary of the Company (if any) to give such notice.
- 11.2 Notice of any Trustee 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 Trustee 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 Notice of a meeting of the Trustee Directors must be given to each Trustee Director, but need not be in writing.

12 Participation in Directors' meetings

- 12.1 Subject to the articles, Trustee Directors participate in a Trustee Directors' meeting, or part of a meeting of Trustee Directors, 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 Trustee Directors are participating in a meeting of Trustee Directors, it is irrelevant where any Trustee Director is or how they communicate with each other.
- 12.3 If all the Trustee 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 Quorum for Directors' meetings

- 13.1 At a meeting of the Trustee Directors, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

- 13.2 For the period of 6 months from the date of adoption of these Articles the quorum for the conduct of business of the Trustee Directors shall be three Trustee Directors and they may exercise all the powers conferred on the Trustee Directors by these Articles.
- 13.3 On the expiry of the period of 6 months from the date of adoption of these Articles, the quorum for the conduct of business of the Trustee Directors shall be five Trustee Directors, one of which must be a Partner Trustee Director, two must be an Independent Trustee Director and one must be an Executive Board Trustee Director (such that the other can be any of a Partner Trustee Director, Independent Trustee Director or Executive Board Trustee Director).
- 13.4 If the total number of Trustee Directors for the time being is less than the quorum required, the Trustee Directors must not take any decision other than a decision to call another meeting of the Trustee Directors (but, for the avoidance of doubt, shall be quorate for the purposes of making additional appointments in accordance with these Articles).

14 Chairing of Directors' meetings

- 14.1 The Trustee Directors shall appoint an Independent Trustee Director to chair their meetings.
- 14.2 The person so appointed for the time being is known as the chairman.
- 14.3 The Trustee Directors acting unanimously may terminate the chairman's appointment at any time.
- 14.4 If the chairman is not participating in a meeting of the Trustee Directors within ten minutes of the time at which it was to start, the participating Trustee Directors must appoint one of themselves to chair it.

15 Casting vote

- 15.1 If the numbers of votes for and against a proposal are equal, the chairman or other Trustee Director chairing the meeting has a casting vote.
- 15.2 But this does not apply if, in accordance with the articles, the chairman or other Trustee Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

16 Conflicts of interest

- 16.1 Subject to articles 16.2 and 16.6, if a proposed decision of the Trustee Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Trustee Director is interested, that Trustee Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 16.2 If article 16.3 applies, a Trustee Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 16.3 This paragraph applies when:
- 16.3.1 the conflict arises by reason only of the fact that the Trustee Director is:
- (a) an employee or director of Aardman Holdings Limited or of any other member of the Group; or

- (b) is an employee or director of another member of the Group;
- 16.3.2 the Trustee Director's conflict of interest arises from:
 - (a) a guarantee given, or to be given, by or to a Trustee Director in respect of an obligation incurred by or on behalf of the Company;
 - (b) arrangements pursuant to which benefits are made available to employees or former employees of Aardman Holdings Limited or any other member of the Group which do not provide special benefits for Trustee Directors or former Trustee Directors.
- 16.4 Subject to paragraph 16.6, if a question arises at a meeting of Trustee Directors or of a committee of Trustee Directors as to the right of a Trustee 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 Trustee Director other than the chairman is to be final and conclusive.
- 16.5 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 Trustee Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 16.6 The Trustee Directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a Trustee Director infringing his duty under section 175 of the Companies Act 2006 to avoid a situation in which such Trustee Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest.
- 16.7 Authorisation of a matter under article 16.6 is effective only if:
 - 16.7.1 the matter has been proposed to the Trustee Directors by its being submitted in writing for consideration at a meeting of the Trustee Directors or for the authorisation of the Trustee Directors by resolution in writing and in accordance with the Trustee Directors' normal procedures or in such other manner as the Trustee Directors may approve;
 - 16.7.2 any requirement as to quorum at the meeting of the Trustee Directors at which the matter is considered is met without counting the Trustee Director in question and any other interested Trustee Director; and
 - 16.7.3 the matter has been agreed to without the Trustee Director in question and any other interested Trustee Director voting or would have been agreed to if their votes had not been counted.
- 16.8 Any authorisation of a matter under article 16.6 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 16.9 The Trustee Directors may authorise a matter on such terms and for such duration, or impose such limits or conditions on it, as the Trustee Directors may decide and may vary the terms of duration of such an authorisation (including any limits or conditions imposed on such authorisation) or revoke such authorisation. A Trustee Director shall comply with any obligations imposed on him by the Trustee Directors pursuant to any such authorisation.

- 16.10 Any terms imposed by the Trustee Directors under article 16.9 may include (without limitation):
- 16.10.1 whether the Trustee Director may vote (or be counted in the quorum) at a meeting of the Trustee Directors or any committee or sub-committee of the Trustee Directors in relation to any resolution relating to the relevant matter;
 - 16.10.2 whether the Trustee Director is to be given any documents or other information in relation to the relevant matter; and
 - 16.10.3 whether the Trustee Director is to be excluded from discussions in relation to the relevant matter at a meeting of the Trustee Directors or any committee or sub-committee of the Trustee Directors or otherwise.
- 16.11 The Trustee Director shall not be required to disclose any confidential information obtained in relation to the relevant matter (other than through his position as a Trustee Director of the Company) to the Company or to use to apply it in performing his duties as a Trustee Director if to do so would result in a breach of a duty or obligation of confidence owed to him in relation to or in connection with that matter.
- 16.12 A Trustee Director does not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act if he acts in accordance with such terms, limits and conditions (if any) as the Trustee Directors may impose in respect of its authorisation of the Trustee Director's conflict of interest or possible conflict of interest under article 16.6.
- 16.13 A Trustee Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Trustee Directors under article 16.6 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 16.14 A reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

17 Directors' discretion to make further rules

- 17.1 Subject to the articles, the Trustee 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 Trustee Directors.

18 Directors' remuneration

- 18.1 Except as mentioned in article 4.1, Trustee Directors are not entitled to remuneration for their services to the Company as Trustee Directors.

19 Directors' expenses

- 19.1 The Company may pay any reasonable expenses which the Trustee Directors properly incur in connection with their attendance at:
- 19.1.1 meetings of Trustee Directors;
 - 19.1.2 general meetings; or

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

20 Applications for Membership

- 20.1 No person shall become a member of the Company unless:
 - 20.1.1 that person is or is shortly to become a Trustee Director;
 - 20.1.2 the other Trustee Directors have approved the application.

21 Termination of Membership

- 21.1 A Member may withdraw from membership of the Company by giving 7 days' notice to the Company in writing provided always that a sole Member of the Company may not withdraw from membership of the Company before the appointment of one or more other Members of the Company.
- 21.2 Membership of the Company is not transferable.
- 21.3 A person's membership terminates when that person:
 - 21.3.1 dies or ceases to exist; or
 - 21.3.2 withdraws from membership in accordance with article 21.1;
 - 21.3.3 subject to the provision in article 21.1, ceases to a Trustee Director.

22 Poll Votes

- 22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Act) present and entitled to vote at the meeting.
- 22.2 Article 30(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

23 Proxies

- 23.1 Article 31(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 23.2 Article 31(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

24 Means of communication to be used

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

- 24.2 Subject to the articles, any notice or document to be sent or supplied to a Trustee Director in connection with the taking of decisions by Trustee Directors may also be sent or supplied by the means by which that Trustee Director has asked to be sent or supplied with such notices or documents for the time being.
- 24.3 A Trustee Director may agree with the Company that notices or documents sent to that Trustee 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.

25 Company seals

- 25.1 Any common seal may only be used by the authority of the Trustee Directors.
- 25.2 The Trustee Directors may decide by what means and in what form any common seal is to be used.
- 25.3 Unless otherwise decided by the Trustee Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 25.4 For the purposes of this article, an authorised person is:
- 25.4.1 any Trustee Director of the Company;
 - 25.4.2 the secretary of the Company (if any); or
 - 25.4.3 any person authorised by the Trustee Directors for the purpose of signing documents to which the common seal is applied.

26 Inspection of accounts and other records

- 26.1 A sole member of the Company shall have the right to inspect any of the Company's accounting or other records or documents on giving reasonable notice to the Trustee Directors.
- 26.2 Subject to article 26.1, except as provided by law or authorised by the Trustee 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.

27 Indemnity

- 27.1 Subject to article 27.2, a relevant Trustee Director of the Company or an associated company may be indemnified out of the Company's assets against:
- 27.1.1 any liability incurred by that Trustee Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
 - 27.1.2 any liability incurred by that Trustee Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); or
 - 27.1.3 any other liability incurred by that Trustee Director as an officer of the Company or an associated company.

27.2 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.

27.3 In this article:

27.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and

a **relevant** Trustee Director means any Trustee Director or former Trustee Director of the Company or an associated company.

28 Insurance

28.1 The Trustee Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Trustee Director in respect of any relevant loss.

28.2 In this article:

28.2.1 a **relevant** Trustee Director means any Trustee Director or former Trustee Director of the Company or an associated company;

28.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant Trustee Director in connection with that Trustee Director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

28.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.

