

Companies Act 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

ATTESTOR LIMITED

(as adopted by Special Resolution passed on 17 May 2022)

1. INTERPRETATION AND LIMITATION OF LIABILITY

1.1 In these articles, unless the context requires otherwise:

"**articles**" means the company's articles of association;

"**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;

"**capitalised sum**" has the meaning given in article 8.1(1)(b);

"**chairman of the meeting**" has the meaning given in article 9.4(3);

"**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;

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

"**distribution recipient**" has the meaning given in article 7.3(2);

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

"**electronic form**" has the meaning given in section 1168 of the Companies Act 2006;

"**Founder Director**" means Jan-Christoph Peters;

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

"**hard copy form**" has the meaning given in section 1168 of the Companies Act 2006;

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

"**instrument**" means a document in hard copy form;

**"ordinary resolution"** has the meaning given in section 282 of the Companies Act 2006;

**"paid"** means paid or credited as paid;

**"participate"**, in relation to a directors' meeting, has the meaning given in article 2.8(1);

**"persons entitled"** has the meaning given in article 8.1(1)(b);

**"proxy notice"** has the meaning given in article 10.7(1);

**"Relevant Contingent Obligation"** means any of:

- (1) any guarantee of the performance or discharge by any other person of any obligation or liability of that other person;
- (2) any obligation to counter-indemnify any other person in respect of the performance or discharge of any obligation or liability of that other person; and
- (3) except in the case of any group company that is the general partner of a limited partnership (whether within or outside of the United Kingdom), any obligation to pay any amount, or assume or discharge the obligation or liability of any other person, in the event of the failure by any other person or (as the case may be) that other person to perform any obligation owed by any such other person;

**"secretary"** means the secretary of the company, if any, or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary;

**"shareholder"** means a person who is the holder of a share;

**"shares"** means shares in the company;

**"special resolution"** has the meaning given in section 283 of the Companies Act 2006;

**"subsidiary"** has the meaning given in section 1159 of the Companies Act 2006;

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

**"working day"** means a day that is not a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday in the United Kingdom; 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 In these articles, unless the context otherwise requires:

- (1) words or expressions bear the same meaning as in the Companies Act 2006 but excluding any statutory modification thereof not in force on the date of the adoption of these articles;
- (2) references to any statutory provision include references to that statutory provision as from time to time amended or re-enacted;
- (3) words importing a particular gender include each other gender; and

(4) words in the singular include the plural and words in the plural include the singular.

1.3 These articles shall comprise the articles of association of the company and, accordingly the model articles of association for private companies contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) shall not apply to the company.

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

## **2. DIRECTORS' POWERS AND RESPONSIBILITIES**

### ***Directors' general authority***

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

### ***Shareholders' reserve power***

2.2 (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

### ***Directors may delegate***

2.3 (1) Subject to the articles and the prior consent of the Founder Director, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

(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.

(3) Subject to the articles and the prior consent of the Founder Director, the directors may revoke any delegation in whole or part, or alter its terms and conditions.

### ***Committees***

2.4 (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.

(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.

### ***Directors to take decisions collectively***

- 2.5 Subject to the articles, the general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 2.6.

***Unanimous decisions***

- 2.6 (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

***Calling a directors' meeting***

- 2.7 (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (3) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

***Participation in directors' meetings***

- 2.8 (1) Subject to the articles, directors "**participate**" in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (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.
- (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.

***Quorum for directors' meetings***

- 2.9 (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The maximum and minimum number of directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall

be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, the general rule about decision-making by the directors does not apply, and the sole director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making. Subject to the following sentence, the quorum for directors' meetings may be fixed from time to time by the directors, and unless otherwise fixed it is two or, if there is a sole director, one. For so long as the Founder Director is a director, in no circumstances shall there be a quorum at a directors' meeting unless the Founder Director either (a) is present at that meeting; or (b) has provided the company with written notice confirming his absence from that meeting and consenting to the meeting proceeding in his absence.

- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
  - (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.
- (4) Subject to article 2.9(5), notwithstanding the fact that a proposed decision of the directors concerns or relates to any matter in which a director has, or may have, directly or indirectly, any kind of interest whatsoever, that director may participate in the decision-making process for both quorum and voting purposes.
- (5) If the directors propose to exercise their power under section 175(4)(b) of the Companies Act 2006 to authorise a director's conflict of interest, the director facing the conflict is not to be counted as participating in the decision to authorise the conflict for quorum or voting purposes.
- (6) Subject to the provisions of the Companies Act 2006, and provided that (if required to do so by the said Act) he has declared to the directors the nature and extent of any direct or indirect interest of his, a director, notwithstanding his office:-
  - (a) may be a party to or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
  - (b) may be a director or other officer or an employee of, or a party to any transaction or arrangement with, or otherwise interested in, any subsidiary of the company or body corporate in which the company is interested; and
  - (c) is not accountable to the company for any remuneration or other benefits which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no transaction or arrangement is liable to be avoided on the ground of any such remuneration, benefit or interest.

#### ***Chairing of directors' meetings***

- 2.10 The Founder Director shall, for so long as he is a director, be the chairman of the board of directors. Where the Founder Director is not a director, the directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. If the chairman is not participating in a directors' meeting within 15 minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

### ***Casting vote***

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

### ***Records of decisions to be kept***

- 2.12 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

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

- 2.13 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.

## **3. APPOINTMENT OF DIRECTORS**

### ***Methods of appointing directors***

- 3.1 (1) Subject to articles 3.5, 3.6 and 3.9, any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
- (a) by ordinary resolution, or
- (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
- (3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

### ***Termination of director's appointment***

- 3.2 A person ceases to be a director as soon as—
- (1) 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;
- (2) a bankruptcy order is made against that person;
- (3) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (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;

- (5) that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors make a decision to vacate that person's office; or
- (6) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

#### ***Directors' remuneration***

- 3.3
- (1) Directors may undertake any services for the company that the directors decide, with the approval of the Founder Director.
  - (2) Directors are entitled to such remuneration as the company may by ordinary resolution determine:
    - (a) for their services to the company as directors, and
    - (b) for any other service which they undertake for the company.
  - (3) Subject to the articles, a director's remuneration may—
    - (a) take any form, and
    - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
  - (4) Unless provided otherwise by ordinary resolution, directors' remuneration accrues from day to day.

#### ***Directors' expenses***

- 3.4 The company may pay any reasonable expenses which the directors and/or any alternate directors properly incur in connection with their attendance at—
- (1) meetings of directors or committees of directors,
  - (2) general meetings, or
  - (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.

#### ***Founder Director***

- 3.5 Subject to the provisions of the Companies Act 2006, the Founder Director shall be entitled at all times to be appointed and re-appointed, and to remain in office, as a director unless and until he resigns as a director.
- 3.6 Except pursuant to article 10.10, and without prejudice to article 3.9, no person may be appointed or removed as a director unless the Founder Director has consented in writing in advance, or voted in favour of the resolution of the directors to effect such appointment or removal.
- 3.7 Notwithstanding any other provision of these articles and subject to the Companies Act 2006, the company shall not, except with the prior written consent of the Founder Director or

otherwise, where applicable, except where the Founder Director has voted in favour of the resolution of the directors to:

- (1) effect or propose any acquisition or disposal of assets for its own account; or
- (2) effect or propose any alteration to the rights attaching to any of the shares in the capital of the company; or
- (3) effect or propose any alteration to the share capital or to the membership interests in any subsidiary undertaking of the company (including any increase thereof), or to the rights attaching to any of the shares in the capital or to any of the membership interests in any subsidiary undertaking of the company; or
- (4) effect or propose any amendment to the memorandum or articles of association or limited liability partnership agreement of any subsidiary undertaking of the company; or
- (5) effect or propose any amendment to these articles; or
- (6) issue or allot any shares in the capital of the company; or
- (7) grant any rights or options in respect of or warrants to subscribe for, or otherwise dispose of, any shares in the capital of the company, or any shares in the capital or membership interests in any subsidiary undertaking of the company; or
- (8) effect or propose the declaration and payment of dividends in accordance with article 7; or
- (9) effect or propose the capitalisation of profits in accordance with article 8; or
- (10) register the transfer of a share; or
- (11) effect or propose the redemption of any redeemable shares; or
- (12) effect or propose the forfeiture or surrender of any shares in accordance with article 4; or
- (13) effect or propose any material alteration to the business of the company; or
- (14) propose or effect a change to the company's name; or
- (15) propose or effect a change to the company's registered office; or
- (16) effect any de-merger or other reorganization in respect of the company or of any subsidiary undertaking; or
- (17) borrow moneys or create any Relevant Contingent Obligation if that would result in the sum of £200,000 being exceeded, except with both the previous sanction of a special resolution of shareholders and the prior written consent of the Founder Director; or
- (18) agree the terms of, or enter into any company employment and/or consultancy contracts, or make a determination under the terms of company employment and/or consultancy contracts, including but not limited to:
  - (a) the entry into or the termination of such contract for any reason;



- (b) proposing or effecting enforcement actions against an employee, officer and/or consultant;
- (c) proposing or effecting the reimbursement of employee, officer or consultant expenses, other than in accordance with the company's compliance manual; and
- (d) proposing or effecting an amendment to the terms of such contract; or
- (19) enter into any contracts on behalf of the company with a value in excess of £200,000; or
- (20) convene a general meeting of the company.

3.8 Notwithstanding any other provision of these articles and subject to the Companies Act 2006, the company shall procure that no subsidiary undertaking of the company shall, except with the prior written consent of the Founder Director or otherwise, where applicable, except where the Founder Director has voted in favour of the resolution of the directors to:

- (1) effect or propose an acquisition or disposal of assets for its own account; or
- (2) effect or propose any alteration to its share capital or (as the case may be) to its membership interests (including any increase thereof) or to the rights attaching to any of the shares in its capital or its membership interests; or
- (3) effect or propose any amendment to its memorandum or articles of association or (as the case may be) to its limited liability partnership agreement; or
- (4) issue or allot any shares in its capital or (as the case may be) issue any new or additional membership interests; or
- (5) grant any rights or options in respect of or warrants to subscribe for, or otherwise dispose of, any shares in its capital or (as the case may be) any membership interests; or
- (6) effect or propose the declaration and payment of dividends; or
- (7) effect or propose the capitalisation of its profits; or
- (8) register a transfer in any of its shares; or
- (9) effect or propose the redemption of any its redeemable shares; or
- (10) effect or propose the forfeiture or surrender of any of its shares; or
- (11) effect or propose any material alteration to its business; or
- (12) propose or effect a change to its name; or
- (13) propose or effect a change to its registered office; or
- (14) effect any de-merger or other reorganization; or
- (15) borrow moneys or create any Relevant Contingent Obligation if that would result in the sum of £200,000 being exceeded, except with both the previous sanction of a

special resolution of shareholders and the prior written consent of the Founder Director; or

- (16) agree the terms of, or enter into any company employment and/or consultancy contracts, or make a determination under the terms of its employment and/ or consultancy contracts, including but not limited to:
  - (a) the entry into or the termination of such contract for any reason;
  - (b) proposing or effecting enforcement actions against an employee, officer and/or consultant;
  - (c) proposing or effecting the reimbursement of employee, officer or consultant expenses, other than in accordance with its compliance manual; and
  - (d) proposing or effecting an amendment to the terms of such contract; or
- (17) enter into any contracts on behalf of it with a value in excess of £200,000; or
- (18) convene a general meeting of its shareholders.

3.9 The Founder Director may, by notice in writing to the company:

- (1) appoint any person as a director of the company, provided that the appointment does not either cause the number of directors to exceed any maximum determined from time to time by ordinary resolution; and
- (2) remove any person as a director of the company,

and such appointment or, as the case may be, removal shall take effect immediately upon receipt by the company of such notice or on such other date as may be specified for such purpose in such notice.

#### 4. **SHARES AND DISTRIBUTIONS**

*All shares to be issued as nil, partly or fully paid up*

4.1 Shares may be issued as nil, partly or fully paid.

- 4.2
- (1) Unless the members of the company by special resolution direct otherwise, all shares which the directors propose to issue must first be offered to the members in accordance with the following provisions of this article.
  - (2) Shares must be offered to members in proportion as nearly as may be to the number of existing shares held by them respectively.
  - (3) The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than 14 days) within which the offer, if not accepted, will be deemed to be declined.
  - (4) After the expiration of the period referred to in (3) above, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; and such further offer shall be made in the like terms in the same manner and limited by a like period as the original offer.

- (5) Any shares not accepted pursuant to the offer referred to in (3) above and the further offer referred to in (4) above or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this article by any such special resolution as aforesaid shall be under the control of the directors, who may allot, grant options over or dispose of the same to such persons, on such terms, and in such manner as they think fit.

- 4.3 In accordance with section 567 of the Companies Act 2006, sections 561 and 562 of the said Act are excluded.

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

- 4.4 (1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- (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.

**5. SHARE CERTIFICATES**

- 5.1 (1) The company must issue each member with one or more certificates in respect of the shares which that member holds.
- (2) Except as is otherwise provided in these articles, all certificates must be issued free of charge.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) A member may request the company, in writing, to replace:-
- (a) the member's separate certificates with a consolidated certificate; or
- (b) the member's consolidated certificate with two or more separate certificates.
- (5) When the company complies with a request made by a member under (4) above, it may charge a reasonable fee as the directors decide for doing so.
- 5.2 (1) Every certificate must specify:-
- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) whether the shares are nil, partly or fully paid; and
- (d) any distinguishing numbers assigned to them.
- (2) Certificates must be executed in accordance with the Companies Acts.

***Replacement share certificates***

- 5.3 (1) If a certificate issued in respect of a shareholder's shares is—
- (a) damaged or defaced, or

- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued with such a replacement certificate—
  - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
  - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

## 6. **TRANSFER AND TRANSMISSION OF SHARES**

### *Share transfers*

- 6.1 (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, if any of the shares is nil or partly paid, the transferee.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and, if they do so, the instrument of transfer must be returned to the transferee together with a notice of refusal giving reasons for such refusal as soon as practicable and in any event within two months after the date on which the instrument of transfer was lodged for registration, unless the directors suspect that the proposed transfer may be fraudulent.

### *Transmission of shares*

- 6.2 (1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—
  - (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) 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.

- (4) 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.
- (5) All the articles relating to the transfer of shares apply to:-
  - (a) any notice in writing given to the company by a transmittee in accordance with article 6.3(1); and
  - (b) any instrument of transfer executed by a transmittee in accordance with Model Article 28(2),

as if such notice or instrument were an instrument of transfer executed by the person from whom the transmittee derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### ***Exercise of transmittees' rights***

- 6.3 (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.
- (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.
- 6.4 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

### **7. DIVIDENDS AND OTHER DISTRIBUTIONS**

#### ***Dividends***

- 7.1 (1) Except as otherwise provided by these articles or the rights attached to the shares, all dividends must be:-
  - (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
  - (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (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.
- (3) For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

#### ***Procedure for declaring dividends***

- 7.2 (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (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.

- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- (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.
- (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.
- (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.

***Payment of dividends and other distributions***

- 7.3 (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
  - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- (2) In the articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable—
- (a) the holder of the share; or
  - (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

***No interest on distributions***

- 7.4 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

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

***Unclaimed distributions***

- 7.5 (1) All dividends or other sums which are—
- (a) payable in respect of shares, and
  - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- (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.
- (3) If—
- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - (b) the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

***Non-cash distributions***

- 7.6 (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).
- (2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—
- (a) fixing the value of any assets;
  - (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - (c) vesting any assets in trustees.

***Waiver of distributions***

- 7.7 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—
- (1) the share has more than one holder, or
  - (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.

## 8. CAPITALISATION OF PROFITS

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

- 8.1 (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—
- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.
- (2) Capitalised sums must be applied—
- (a) on behalf of the persons entitled, and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (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.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied:-
- (a) in or towards paying up any amounts unpaid on any existing nil or partly paid shares held by the persons entitled; or
  - (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may—
- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## 9. DECISION-MAKING BY SHAREHOLDERS

### *Notice of general meetings*



- 9.1 (1) Every notice convening a general meeting of the company must comply with the provisions of:-
- (a) section 311 of the Companies Act 2006 as to the provision of information regarding the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting; and
  - (b) section 325(1) of the Companies Act 2006 as to the giving of information to members regarding their right to appoint proxies.
- (2) Every notice of, or other communication relating to, any general meeting which any member is entitled to receive must be sent to each of the directors and to the auditors (if any) for the time being of the company.

***Attendance and speaking at general meetings***

- 9.2 (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.
- (2) A person is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (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.
- (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.
- (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.

***Quorum for general meetings***

- 9.3 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.
- (1) If and for so long as the company has one member only who is entitled to vote on the business to be transacted at a general meeting, that member present at the meeting in person or by one or more proxies or, in the event that the member is a corporation, by one or more corporate representatives, is a quorum.
  - (2) If and for so long as the company has two or more members entitled to vote on the business to be transacted at a general meeting, two of such members, each of whom is present at the meeting in person or by one or more proxies or, in the event that any member present is a corporation, by one or more corporate representatives, are a quorum.

### ***Chairing general meetings***

- 9.4 (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—
- (a) the directors present, or
- (b) (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as "**the chairman of the meeting**".

### ***Attendance and speaking by directors and non-shareholders***

- 9.5 (1) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (2) The chairman of the meeting may permit other persons who are not—
- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

### ***Adjournment***

- 9.6 (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it. If, at the adjourned general meeting, a quorum is not present within half an hour from the time appointed therefor or, alternatively, a quorum ceases to be present, the adjourned meeting shall be dissolved.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—
- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must—
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
  - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (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.

## 10. VOTING AT GENERAL MEETINGS

### *Voting: general*

- 10.1 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.

### *Errors and disputes*

- 10.2 (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.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

### *Poll votes*

- 10.3 (1) A poll on a resolution may be demanded—
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
  - (a) the chairman of the meeting;
  - (b) the directors;
  - (c) two or more persons having the right to vote on the resolution;
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution; or
  - (e) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.
- (3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal.
- (4) A demand for a poll made by a person as proxy for a member is the same as a demand made by the member.
- 10.4 Polls must be taken at the general meeting at which they are demanded and in such manner as the chairman directs.

***Show of hands***

- 10.5 (1) Subject to article 10.6 below, on a vote on a resolution at a general meeting on a show of hands:-
  - (a) each member who, being an individual, is present in person has one vote;
  - (b) if a member (whether such member is an individual or a corporation) appoints one or more proxies to attend the meeting, all proxies so appointed and in attendance at the meeting have, collectively, one vote; and
  - (c) if a corporate member appoints one or more persons to represent it at the meeting, each person so appointed and in attendance at the meeting has, subject to section 323(4) of the Companies Act 2006, one vote.
- (2) Subject to article 10.6 below, on a resolution at a general meeting on a poll, every member (whether present in person, by proxy or authorised representative) has one vote in respect of each share held by him.
- 10.6 No member may vote at any general meeting or any separate meeting of the holders of any class of shares in the company, either in person, by proxy or, in the event that the member is a corporation, by corporate representative in respect of shares held by that member unless all moneys currently due and payable by that member in respect of any shares held by that member have been paid.

***Content of proxy notices***

- 10.7 (1) Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which—
  - (a) states the name and address of the shareholder appointing the proxy;
  - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine;
  - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate; and
  - (e) is delivered to an address specified by the company in the proxy notice not less than 48 hours before the time for holding the meeting or adjourned meeting at which the proxy appointed pursuant to the proxy notice proposes to vote along with any authentication of it demanded by the directors (any proxy notice

received at such address less than 48 hours before the time for holding the meeting or adjourned meeting shall be invalid).

- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### ***Delivery of proxy notices***

- 10.8
- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
  - (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
  - (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
  - (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### ***Amendments to resolutions***

- 10.9
- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
    - (a) notice of the proposed amendment is given to the company 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
    - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
  - (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
    - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
    - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

- (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 of members***

- 10.10 (1) Subject to article 10.10(2), a written resolution of members passed in accordance with Part 13 of the Companies Act 2006 is as valid and effectual as a resolution passed at a general meeting of the company.
- (2) The following may not be passed as a written resolution and may only be passed at a general meeting:-
- (a) a resolution under section 168 of the Companies Act 2006 for the removal of a director before the expiration of his period of office; and
  - (b) a resolution under section 510 of the Companies Act 2006 for the removal of an auditor before the expiration of his period of office.
- 10.11 (1) Subject to article 10.11(2), on a written resolution, a member has one vote in respect of each share held by him.
- (2) No member may vote on a written resolution unless all moneys currently due and payable in respect of any shares held by him have been paid.

**11. ADMINISTRATIVE ARRANGEMENTS**

***Means of communication to be used***

- 11.1 (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.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

***No right to inspect accounts and other records***

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

**12. DIRECTORS' INDEMNITY AND INSURANCE**

***Indemnity***

- 12.1 (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (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.
- (3) In this article—
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a "**relevant director**" means any director or former director of the company or an associated company.

#### ***Insurance***

- 12.2 (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this article—
- (a) a "**relevant director**" means any director or former director of the company or an associated company,
  - (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
  - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.