

Signed copy resolution to file at Companies House

**DENHOLM LOGISTICS LIMITED**  
**("Company")**

Company No:  
SC244269

The Companies Act 2006

On the 26 August 2014 the following written resolutions (such resolutions being passed as a special resolution (in the case of the first resolution) and an ordinary resolution (in the case of the second resolution) were approved by the eligible members pursuant to sections 288 to 300 of the Companies Act 2006:

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**Resolutions**

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1. *"That the revised articles of association attached to this resolution be adopted as the articles of association of the Company."*
2. *"That the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into shares of the Company up to a maximum nominal amount equal to the nominal amount of £10 million. Provided that the authority hereby given shall expire 5 years after the passing of this resolution unless previously renewed or varied save that the directors may, notwithstanding such expiry, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the company before the expiry of this authority."*

  
.....  
**G.A. Hanson**  
**Group Company Secretary**

TUESDAY



SCT      \*S3FLY6O8\*      #138  
02/09/2014  
COMPANIES HOUSE

**THE COMPANIES ACT 2006**  
**ARTICLES OF ASSOCIATION**  
**of**  
**DENHOLM LOGISTICS LIMITED**  
**Company Number SC244269**

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**DENHOLM LOGISTICS LIMITED**  
**Company Number SC244269**  
**(the "Company")**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

**1.1** In these articles, the following terms have the following meanings:

**Act** means the Companies Act 2006;

**Chairman** has the meaning given in article 11;

**Companies Acts** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;

**Conflict** has the meaning given in article 13;

**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 29;

**Group** means the Company, any subsidiary of the Company, any company of which the Company is a subsidiary (its holding company) and any other subsidiaries of any such holding company, in each case for the time being, and **member of the Group** shall mean any of them;

**Majority Shareholder** means the holder from time to time of a majority of Shares;

**Shares** means the ordinary shares of £1 each in the Company, and **Share** means any one of them; and

**Shareholder** means a person who is the holder of a Share, where the "**holder**" of a Share means the person whose name appears in the register of members as the holder of that Share.

**1.2.** In these articles:

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

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

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

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

- 1.2.5 **"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;
- 1.2.6 references to the plural include the singular and vice versa;
- 1.2.7 references to any gender are to all genders;
- 1.2.8 the words **"include"**, **"includes"** and **"including"** shall each be construed without limitation to the words following; and
- 1.2.9 the headings shall not affect the interpretation of these articles.
- 1.3 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles were adopted by the Company.

- 1.4 No regulations or model articles shall apply to the Company, whether under statute, the Companies (Model Articles) Regulations 2008 or other subordinate legislation.

## **2. LIABILITY OF MEMBERS**

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

## **DIRECTORS' POWERS AND RESPONSIBILITIES**

### **3. DIRECTORS' GENERAL AUTHORITY**

- 3.1 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.

### **4. SHAREHOLDERS' RESERVE POWER**

- 4.1. The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 4.2. No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- 4.3. No amendment of the articles invalidates anything which the Directors have done before such amendment.

### **5. DIRECTORS MAY DELEGATE**

- 5.1. Subject to the articles, the Directors may delegate any of the powers which are conferred on them under the articles:
    - 5.1.1. to such person;
    - 5.1.2. by such means (including by power of attorney);
    - 5.1.3. to such an extent;
    - 5.1.4. in relation to such matters or territories; and
    - 5.1.5. on such terms and conditions;
- as they think fit.

- 5.2. If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 5.3. The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **DECISION-MAKING BY DIRECTORS**

### **6. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision (in accordance with the provisions of these articles, including article 12) at a meeting or a decision taken in accordance with article 7.

### **7. UNANIMOUS DECISIONS**

- 7.1. 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.
- 7.2. Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.
- 7.3. References in this article to "Eligible Directors" are to Directors who would have been entitled to vote on the matter and whose vote would have been counted had it been proposed as a resolution at a Directors' meeting.
- 7.4. 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.

### **8. CALLING A DIRECTORS' MEETING**

- 8.1. 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.
- 8.2. Notice of any Directors' meeting must indicate:
  - 8.2.1 its proposed date and time;
  - 8.2.2 where it is to take place; and
  - 8.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 8.3. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- 8.4. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time. 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.

### **9. PARTICIPATION IN DIRECTORS' MEETINGS**

- 9.1. Subject to the articles, Directors "**participate**" in a Directors' meeting, or part of a Directors' meeting, when:
  - 9.1.1 the meeting has been called and takes place in accordance with the articles; and
  - 9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

9.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

9.3 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.

#### **10. QUORUM FOR DIRECTORS' MEETINGS**

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

10.2. The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than 2 and unless otherwise fixed it is 2.

10.3. 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:

10.3.1. to appoint further Directors; or

10.3.2. to call a general meeting so as to enable the Shareholders to appoint further Directors.

#### **11. CHAIRING OF DIRECTORS' MEETINGS**

11.1. The Majority Shareholder shall nominate a Director to chair meetings of Directors.

11.2. The person so appointed for the time being is known as the "Chairman".

11.3. If the Chairman is not participating in a Directors' meeting within 30 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

#### **12. CASTING VOTE**

If the numbers of votes for and against a proposal are equal (ignoring any votes which are to be discounted in accordance with these articles or the Act), the Chairman or other Director chairing the meeting has a second and casting vote.

#### **13. DIRECTORS' CONFLICTS AND DECLARATIONS OF INTEREST**

13.1. The Directors may, in accordance with the requirements set out in this article, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest (a "Conflict").

13.2. Any authorisation under this article will be effective only if:

13.2.1. the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these articles or in such other manner as the Directors may determine;

13.2.2. any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

13.2.3. the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

13.3. Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

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

13.3.2. be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

13.3.3. be terminated or varied by the Directors at any time.

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

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

13.4.1. disclose such information to the Directors or to any Director or other officer or employee of the company; or

13.4.2. use or apply any such information in performing his duties as a Director;

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

13.5. Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director;

13.5.1. is to be excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

13.5.2. is not to be given any documents or other information relating to the Conflict; and/or

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

13.6. Where the Directors authorise a Conflict:

13.6.1. the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

13.6.2. the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

13.7. A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

13.8. A Director, notwithstanding his office, may be a director or officer of, employed by, or otherwise interested (including by the holding of shares) in, any member of the Group and no further authorisation under Article 13 shall be necessary in respect of such interest.

13.9. A Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his

interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the 2006 Act.

- 13.10. A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 13.9.
- 13.11. Subject, where applicable, to the disclosures required under article 13.9 and article 13.10, and to any terms and conditions imposed by the Directors in accordance with articles 13.1 to 13.9 inclusive, a Director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.
- 13.12. A Director need not declare an interest under Article 13.9 or article 13.10, as the case may be:

13.12.1. if it cannot reasonably be regarded as likely to give rise to a conflict of interest;

13.12.2. of which the Director is not aware, although for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware;

13.12.3. if, or to the extent that, the other Directors are already aware of it, and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware; or

13.12.4. if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.

#### **14. RECORDS OF DECISIONS TO BE KEPT**

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.

#### **15. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

### **APPOINTMENT OF DIRECTORS**

#### **16. NUMBER OF DIRECTORS**

The Company shall have at least 2 Directors and there shall be no maximum number of Directors.

#### **17. METHODS OF APPOINTING DIRECTORS**

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

17.1. by ordinary resolution;

17.2. by a decision of the Directors; or

17.3. by notice of appointment in accordance with article 19.

#### **18. TERMINATION OF DIRECTOR'S APPOINTMENT**



A person ceases to be a Director as soon as:

- 18.1. that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;
- 18.2. a bankruptcy order is made against that person;
- 18.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 18.4. 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;
- 18.5. notification is received by the Company from the Director that the Director is resigning from office as a Director, and such resignation has taken effect in accordance with its terms; or
- 18.6. notice of his removal is given in accordance with article 19.

#### **19. APPOINTMENT AND REMOVAL OF DIRECTORS BY MAJORITY SHAREHOLDER**

- 19.1. The Majority Shareholder may at any time and from time to time:
  - 19.1.1. appoint any person who is willing to act, and is permitted by law to do so, to be a Director (either to fill a vacancy or as an additional Director); and
  - 19.1.2. remove any Director from office (no matter how he was appointed);by giving notice in writing to the Company.
- 19.2. Any appointment or removal made under article 19.1 has effect from the date (if any) specified in the relevant notice or, if no such date is specified, from the date the notice is received by the Company. Any removal under this article is without prejudice to any claim for breach of contract under any employment agreement between the Company and the Director so removed.

#### **20. DIRECTORS' REMUNERATION**

- 20.1. Directors may undertake any services for the Company that the Directors decide.
- 20.2. Directors are entitled to such remuneration as the Directors determine (subject to the approval of the Majority Shareholder):
  - 20.2.1. for their services to the Company as Directors; and
  - 20.2.2. for any other service which they undertake for the Company.
- 20.3. Subject to the articles, a Director's remuneration may take any form.
- 20.4. Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 20.5. Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.
- 20.6. The Directors may provide benefits, including the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of any Director or former Director who has held any office or employment with the Company and for any member of his family

(including a spouse or former spouse) or any person who is or was dependent on him and may contribute to any fund and pay premiums for the purchase or provision of any such benefit at any time (including after he has left such office or employment).

## **21. DIRECTORS' EXPENSES**

21.1. The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

21.1.1. meetings of Directors;

21.1.2. general meetings; or

21.1.3. separate meetings of the holders of any class of Shares or of debentures of the Company

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

21.2. The Company may advance funds to a Director to meet reasonable expenditure to be properly incurred by him in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Company.

## **SECRETARY**

## **22. APPOINTMENT AND REMOVAL OF SECRETARY**

The Directors may at any time and from time to time:

22.1. appoint any person who is willing to act to be the secretary of the Company (the "Secretary") on such terms as they may decide; and

22.2. remove the Secretary from office.

## **SHARES: GENERAL**

## **23. ALL SHARES TO BE FULLY PAID UP**

23.1. No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid or credited as paid to the Company in consideration for its issue ("**fully paid**").

23.2. Article 23.1 does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## **24. POWER TO ISSUE SHARES**

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.

## **25. TRUSTS NOT RECOGNISED**

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

**26. EXCLUSION OF PRE-EMPTION RIGHTS**

The pre-emption provisions in section 561 of the Act shall not apply to any allotment of equity securities made by the Company.

**27. SHARE CERTIFICATES**

- 27.1. The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 27.2. Every certificate must specify:
- 27.2.1. in respect of how many Shares, of what class, it is issued;
  - 27.2.2. the nominal value of those Shares;
  - 27.2.3. that the Shares are fully paid; and
  - 27.2.4. any distinguishing numbers assigned to them.
- 27.3. No certificate may be issued in respect of Shares of more than one class.
- 27.4. If more than one person holds a Share, only one certificate may be issued in respect of it.
- 27.5. Certificates must be executed in accordance with the Act.

**28. REPLACEMENT SHARE CERTIFICATES**

- 28.1. If a certificate issued in respect of a Shareholder's Shares is:
- 28.1.1. damaged or defaced; or
  - 28.1.2. said to be lost, stolen or destroyed,
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 28.2. A Shareholder exercising the right to be issued with such a replacement certificate:
- 28.2.1. may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 28.2.2. must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 28.2.3. must comply with such conditions as to evidence and indemnity as the Directors decide.

**SHARES: RIGHTS**

**29. SHARES: TRANSFERS**

- 29.1. Shares may be transferred by means of an instrument of transfer in any usual form (being a stock transfer form in hard copy form) or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- 29.2. No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- 29.3. The Company may retain any instrument of transfer which is registered.

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

29.5. The Directors may not refuse to register the transfer of a Share.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **30. PROCEDURE FOR DECLARING DIVIDENDS**

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

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

30.3. ~~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.

30.4. 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 arrears.

30.5. 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.

30.6. 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.

### **31. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

31.1. 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:

31.1.1. transfer to a bank or building society account specified by the Distribution Recipient in writing;

31.1.2. sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient in writing;

31.1.3. sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified in writing; or

31.1.4. any other means of payment as the Directors agree with the Distribution Recipient in writing.

31.2. In the articles, the "**Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

31.2.1. the holder of the Share; or

31.2.2. if the Share has two or more joint holders, whichever of them is named first in the register of members.

### **32. NO INTEREST ON DISTRIBUTIONS**

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

- 32.1. the terms on which the Share was issued; or
- 32.2. the provisions of another agreement between the holder of that Share and the Company.

### **33. UNCLAIMED DISTRIBUTIONS**

- 33.1. All dividends or other sums which are:

- 33.1.1. payable in respect of Shares; and

- 33.1.2. unclaimed after having been declared or become payable,

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

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

- 33.3. If:

- 33.3.1. twelve years have passed from the date on which a dividend or other sum became due for payment; and

- 33.3.2. the Distribution Recipient has not claimed it,

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

### **34. NON-CASH DISTRIBUTIONS**

- 34.1. 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 shares or other securities in any company).

- 34.2. 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:

- 34.2.1. fixing the value of any assets;

- 34.2.2. paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

- 34.2.3. vesting any assets in trustees.

### **35. WAIVER OF DISTRIBUTIONS**

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.

### **36. NON-CASH DISTRIBUTIONS ON WINDING UP**

- 36.1. If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company, decide to distribute all or part of the non-cash assets of the Company (including shares or other securities in any company) among the Shareholders.

36.2. For the purposes of paying a non-cash distribution, the liquidator may make whatever arrangements he thinks fit, including, where any difficulty arises regarding the distribution:

36.2.1. fixing the value of any assets;

36.2.2. determining how the assets are divided among Shareholders; and

36.2.3. vesting any assets in trustees

provided always that no Shareholder or trustee shall be compelled to accept any assets on which there is a liability.

### **CAPITALISATION OF PROFITS**

#### **37. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

37.1. Subject to the articles, the Directors may, if they are so authorised by an ordinary resolution:

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

37.1.2. 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.

37.2. Capitalised sums must be applied:

37.2.1. on behalf of the persons entitled; and

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

37.3. 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.

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

37.5. Subject to the articles the Directors may:

37.5.1. apply capitalised sums in accordance with articles 35.3 and 35.4 partly in one way and partly in another;

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

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

## **ADMINISTRATIVE ARRANGEMENTS**

### **38. MEANS OF COMMUNICATION TO BE USED**

- 38.1. 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 Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 38.2. 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.
- 38.3. 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.

### **39. DEEMED RECEIPT OF NOTICES AND OTHER COMMUNICATIONS**

- 39.1. Any notice, document or information sent or supplied by the Company to the intended recipient or any of them:
- 39.1.1. by post, shall be deemed to have been received:
- (a) 24 hours (if sent by first class post to an address in the United Kingdom); or
  - (b) 48 hours (in any other case)
- after the time at which the envelope containing the notice, document or information was posted, and proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
- 39.1.2. by being left at the Shareholder's registered address (or such other address as notified by the Shareholder to the Company for this purpose), shall be deemed to have been received on the day it was left;
- 39.1.3. by electronic means, shall be deemed to have been received one hour after it was sent, and proof that the notice, document or information was sent to the electronic address provided by the Shareholder for this purpose shall be conclusive evidence that it was sent;
- 39.1.4. by making it available on a website, shall be deemed to have been received on the later of the date on which notification of availability on the website is deemed to have been received in accordance with this article and the date on which it is first made available on the website.

### **40. COMPANY SEALS**

- 40.1. Any common seal may only be used by the authority of the Directors.
- 40.2. The Directors may decide by what means and in what form any common seal is to be used.
- 40.3. Unless otherwise decided by the Directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 40.4. For the purposes of this article, an authorised person is:

- 40.4.1. any Director of the company;
- 40.4.2. the company secretary (if any); or
- 40.4.3. any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

#### **41. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

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

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **42. INDEMNITY**

- 42.1. Subject to article 39.2, a relevant person may be indemnified out of the Company's assets against:
  - 42.1.1. any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - 42.1.2. any liability incurred by that person 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 Act); and
  - 42.1.3. any other liability, costs, charges, losses and expenses incurred by that person as an officer of the Company or an associated company.
- 42.2. This article 39 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.
- 42.3. In this article:
  - 42.3.1. a "**relevant person**" means a person who is or was at any time a Director or other officer or employee of the Company or an associated company; and
  - 42.3.2. companies are "**associated**" if one is a subsidiary of the other or both are Subsidiaries of the same body corporate.

#### **43. INSURANCE**

- 43.1. The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant person in respect of any relevant loss.
- 43.2. In this article:
  - 43.2.1. a "**relevant person**" means a person who is or was at any time a Director or other officer or employee of the Company or an associated company;
  - 43.2.2. a "**relevant loss**" means any loss, cost, charge, expense or liability which has been or may be incurred by a relevant person in connection with that person'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
  - 43.2.3. companies are "**associated**" if one is a subsidiary of the other or both are Subsidiaries of the same body corporate.