

Number of Company: SC538459

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

**OF**

**HOUSTON INVESTMENT HOLDINGS LIMITED**

**(the "Company")**

By written resolution passed by the members of the Company on 3 July 2016, the following resolution was duly passed as a special resolution.

**ADOPTION OF NEW ARTICLES OF ASSOCIATION**

That the regulations contained in the Schedule annexed to this written resolution are adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.



.....  
Director / ~~Company Secretary~~

TUESDAY



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05/07/2016

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COMPANIES HOUSE

**ARTICLES OF ASSOCIATION  
OF  
HOUSTON INVESTMENT HOLDINGS LIMITED  
(SC538459)**

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**Adopted by Written Resolution dated 3 July 2016**

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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**

of

**HOUSTON INVESTMENT HOLDINGS LIMITED**

**(Company Number SC538459)**

**Adopted by Special Resolution passed on 3 July 2016**

**PART 1**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

**1.1** In these articles, unless the context requires otherwise:

<b>"Act"</b>	means the Companies Act 2006;
<b>"articles"</b>	means these articles of association;
<b>"bankruptcy"</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy, such as sequestration proceedings in Scotland;
<b>"call"</b>	has the meaning given in article 26;
<b>"call notice"</b>	has the meaning given in article 26;
<b>"chairman"</b>	has the meaning given in article 16;
<b>"chairman of the meeting"</b>	has the meaning given in article 48.3;
<b>"Companies Acts"</b>	means the Companies Acts (as defined in section 2 of the Act ), in so far as they apply to the company;
<b>"company's lien"</b>	has the meaning given in article 32;
<b>"director"</b>	means a director of the company, and includes any person occupying the position of director, by whatever name called;
<b>"distribution recipient"</b>	has the meaning given in article 40;
<b>"document"</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>"electronic form"</b>	has the meaning given in section 1168 of the Act;
<b>"fully paid"</b>	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;
<b>"hard copy form"</b>	has the meaning given in section 1168 of the Act;

<b>"holder"</b>	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
<b>"instrument"</b>	means a document in hard copy form;
<b>"lien enforcement notice"</b>	has the meaning given in article 33;
<b>"ordinary resolution"</b>	has the meaning given in section 282 of the Act;
<b>"paid"</b>	means paid or credited as paid;
<b>"participate"</b>	in relation to a directors' meeting, has the meaning given in article 14;
<b>"proxy notice"</b>	has the meaning given in article 54;
<b>"shareholder"</b>	means a person who is the holder of a share;
<b>"shares"</b>	means shares in the company;
<b>"special resolution"</b>	has the meaning given in section 283 of the Act;
<b>"subscriber share"</b>	means a share taken on the formation of the company by a subscriber of the company's memorandum;
<b>"subsidiary"</b>	has the meaning given in section 1159 of the Act;
<b>"subsidiary undertaking"</b>	has the meaning given in section 1162 of the Act;
<b>"transmittee"</b>	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
<b>"writing"</b>	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 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 become binding on the company.

1.3 The headings in these articles do not affect the interpretation of these articles.

1.4 A reference in these articles to an "article" is a reference to the relevant article of these articles except where expressly stated.

1.5 Except where expressly stated, a reference to, or to any provision of, any statute or subordinate legislation is a reference to it as amended or re-enacted from time to time.

1.6 In interpreting these articles the so-called "*eiusdem generis*" rule shall not apply and accordingly the interpretation of general words shall not be restricted by being preceded by words indicating a particular class of acts, matters or things, or by being followed by particular examples.

## 2. LIABILITY OF SHAREHOLDERS

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

### 3. **EXCLUSION OF PRESCRIBED ARTICLES**

No regulations or articles prescribed by regulations under any statute concerning companies shall form part of the articles of the Company and all such regulations and articles are hereby excluded.

### 4. **NAME OF COMPANY**

For the purposes of section 77 of the Act, the directors may change the name of the company by a decision taken in accordance with article 11.

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

### 5. **DIRECTORS' GENERAL AUTHORITY**

Subject to these 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. The specific powers referred to in articles 6 and 7 are without prejudice to the generality of this article.

### 6. **BORROWING POWERS**

The directors may exercise all the powers of the company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and to mortgage or charge the whole or any part of its undertaking and property, and to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

### 7. **EMPLOYEE BENEFITS**

7.1 The directors may establish or concur or join with any relevant undertakings in establishing and making contributions out of the company's moneys to any relevant scheme.

7.2 The directors may pay, enter into agreements to pay or make grants (revocable or irrevocable and either subject or not subject to any terms and conditions) of pensions or other benefits to employees and ex-employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependents are or may become entitled under any relevant scheme. Any such pension or benefit may, as the directors consider desirable, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

7.3 In this article:

7.3.1 "**employees**" includes any director who may hold or have held any executive office or other office or place of profit, or have been appointed to exercise special powers or authorities;

7.3.2 "**relevant scheme**" means any scheme or fund for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees and ex-employees of the company (and any other participating undertaking) and their dependents, or any class or classes of such persons; and

7.3.3 "**relevant undertaking**" means the parent undertaking of the company or subsidiary undertakings of such parent undertaking or undertakings with which the company is associated in business.



## **8. SHAREHOLDERS' RESERVE POWER**

- 8.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 8.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **9. DIRECTORS MAY DELEGATE**

- 9.1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles:
  - 9.1.1 to such person or committee;
  - 9.1.2 by such means (including by power of attorney);
  - 9.1.3 to such an extent;
  - 9.1.4 in relation to such matters or territories; and
  - 9.1.5 on such terms and conditions;
 as they think fit.
- 9.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 9.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **10. COMMITTEES**

- 10.1 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 these articles which govern the taking of decisions by directors.
- 10.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

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

- 11.1 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 12.
- 11.2 If:
  - 11.2.1 the company only has one director in office; and
  - 11.2.2 no provision of these articles requires it to have more than one director;
  - 11.2.3 the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of these articles relating to directors' decision-making.

### **12. UNANIMOUS DECISIONS**

- 12.1 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.

- 12.2 Such a decision may take the form of a resolution in writing, to which each eligible director has indicated agreement in writing, whether by signing a copy of the resolution or otherwise.
- 12.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter, and whose vote would be counted under these articles, had it been proposed as a resolution at a directors' meeting.
- 12.4 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.

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

- 13.1 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.
- 13.2 Notice of any directors' meeting must indicate:
  - 13.2.1 its proposed date and time;
  - 13.2.2 where it is to take place; and
  - 13.2.3 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.
- 13.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 13.4 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. 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.

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

- 14.1 Subject to these articles, directors "participate" in a directors' meeting, or part of a directors' meeting, when:
  - 14.1.1 the meeting has been called and takes place in accordance with these articles; and
  - 14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 14.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 14.3 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.

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

- 15.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 15.2 Subject to article 15.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed, it is two.
- 15.3 For the purposes of any meeting (or part of a meeting) held to consider or decide on any matter in which one or more directors have an interest, if there is only one director in office who would, if present, be counted in the quorum at that meeting (or part of a meeting), the quorum is one.

- 15.4 If the total number of directors for the time being in office is less than the quorum required, the directors must not take any decision other than a decision:

15.4.1 to appoint further directors; or

15.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## 16. CHAIRING OF DIRECTORS' MEETINGS

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

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

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

16.4 If there is no chairman, or if the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, or if he is unwilling to chair the meeting, the participating directors must appoint one of themselves to chair it.

## 17. CASTING VOTE

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

17.2 But this does not apply if, in accordance with these articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## 18. CONFLICTS OF INTEREST

18.1 Provided that the matter has been authorised by the directors in accordance with section 175 of the Act or by resolution of the shareholders, a director may be in any situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company and which he would otherwise be under a duty to avoid pursuant to section 175 of the Act ("**authorised conflict situation**"). For this purpose, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

18.2 A director shall not be accountable to the company for any profit, remuneration or benefit realised by or accruing to him in consequence of any authorised conflict situation, and no transaction or arrangement shall be liable to be avoided, by reason of his office or of the fiduciary relationship thereby established.

18.3 Any authorisation pursuant to article 18.1 shall be for such duration and subject to such terms and conditions as the directors or shareholders (as the case may be) shall determine and may be varied or terminated at any time. In particular, but without limitation, any such authorisation may (but need not) provide that:

18.3.1 if the director has obtained any information in relation to the matter which has been authorised, otherwise than as a director of the company, in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to disclose such information to the company or to use or apply such information in performing his duties as a director of the company where to do so would be a breach of that duty of confidentiality; and/or

18.3.2 the director shall not be given any information relating to the matter which has been authorised; and/or

18.3.3 if a proposed decision of the directors is concerned with the matter which has been authorised, the director is not to be counted as participating in the decision-making process for quorum or voting purposes.

- 18.4 A director is not to be counted as participating in the decision-making process for quorum or voting purposes:
- 18.4.1 in respect of any decision of the directors to authorise a matter in accordance with section 175 of the Act pursuant to article 18.1; or
  - 18.4.2 in respect of any decision relating to an authorised conflict situation where the terms of the authorisation do not permit this; or
  - 18.4.3 in respect of any decision, other than a decision of the directors to authorise a matter in accordance with section 175 of the Act or which relates to an authorised conflict situation, in which he has an interest unless:
    - (a) his interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
    - (b) he has disclosed the nature and extent of his interest to the other directors (to the extent that they are not already aware of it).
- 18.5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 18.6 Subject to article 18.7, if a question arises in relation to a proposed decision of the directors or of a committee of directors as to the right of a director to participate in the decision-making process for voting or quorum purposes, the question may be referred to the chairman (or other director chairing the relevant meeting) whose ruling in relation to any director other than himself is to be final and conclusive.
- 18.7 If a question arises in relation to a proposed decision of the directors or of a committee of directors as to the right of the chairman (or other director chairing the relevant meeting) to participate in the decision-making process for voting or quorum purposes, the question is to be decided by a decision of the directors excluding the chairman or such other director (as the case may be).

## 19. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the company keeps a record, in accordance with section 1135 of the Act, for at least ten years from the date of the decision recorded, of every decision taken by the directors, whether at a meeting or otherwise.

## 20. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these 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

### 21. METHODS OF APPOINTING DIRECTORS

- 21.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- 21.1.1 by ordinary resolution; or
  - 21.1.2 by a decision of the directors.
- 21.2 In any case where the company has no directors, then any shareholder may call a general meeting (or instruct the company secretary, if any, to do so) for the purpose of appointing one or more directors.
- 21.3 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order

made against him (as the case may be) have the right, by notice in writing, to appoint a person who is willing to act and is permitted by law to do so to be a director.

- 21.4 For the purposes of article 21.3, where two 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.

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

- 22.1 A person ceases to be a director as soon as:

- 22.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- 22.1.2 a bankruptcy order is made against that person;
- 22.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 22.1.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 22.1.5 the director shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during the period and the directors resolve that his office be vacated;
- 22.1.6 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.

## **23. DIRECTORS' REMUNERATION**

- 23.1 Directors may undertake any services for the company that the directors decide.
- 23.2 Directors are entitled to such remuneration as the directors determine:
- 23.2.1 for their services to the company as directors; and
  - 23.2.2 for any other service which they undertake for the company.
- 23.3 Subject to these articles, a director's remuneration may:
- 23.3.1 take any form; and
  - 23.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 23.5 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.

## **24. DIRECTORS' EXPENSES**

- 24.1 The company may pay any reasonable expenses which the directors, and the company secretary (if any), properly incur in connection with their attendance at:
- 24.1.1 meetings of directors or committees of directors;
  - 24.1.2 general meetings; or

24.1.3 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.

### **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

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

- 25.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 25.2 This does not apply to the subscriber shares.

#### **26. CALL ON SUBSCRIBER SHARES**

- 26.1 Subject to these articles, the directors may send a notice (a "**call notice**") to a holder of a subscriber share which is not fully paid requiring the holder to pay the company the nominal value of that share (a "**call**").
- 26.2 A call notice must state when and how the call to which it relates it is to be paid.
- 26.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 days have passed since the notice was sent.
- 26.4 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 26.5 Joint holders of a share are jointly and severally liable to pay any call in respect of that share.
- 26.6 The company may accept from any holder of a subscriber share the amount unpaid on that share, even if that amount has not been called up.

#### **27. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

- 27.1 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 the directors.
- 27.2 In particular and without limitation, 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.

#### **28. ALLOTMENT OF SHARES**

- 28.1 Subject to the Companies Acts, the directors may allot shares, or grant rights to subscribe for or to convert any security into shares, to such persons at such times and generally on such terms and conditions as they think fit.
- 28.2 Section 561 of the Act, or any statutory modification or re-enactment thereof for the time being in force, shall not apply to an allotment of any equity security by the company.

#### **29. TRUSTS MAY BE RECOGNISED**

- 29.1 The company shall be entitled to recognise in such manner and to such extent as it may think fit any trust in respect of any shares. However, the company shall not be bound to recognise any such trust, even if it has express notice of it, except as required by the Companies Acts.

29.2 Notwithstanding any such recognition, the company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares, and shall be entitled to recognise and give effect to the acts and deeds of the holder of such shares as if they were the absolute owners thereof.

29.3 For the purposes of this article, "trust" includes any right or interest (whether equitable, contingent, future, partial or otherwise) in respect of any share, or any fractional part of a share, other than an absolute right of the holder to the entirety of the same.

### 30. **SHARE CERTIFICATES**

30.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

30.2 Every certificate must specify:

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

30.2.2 the nominal value of those shares;

30.2.3 that the shares are fully paid (or, in the case of the subscriber shares, the amount paid up on them); and

30.2.4 any distinguishing numbers assigned to them.

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

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

30.5 Certificates must be executed in accordance with the Companies Acts.

### 31. **REPLACEMENT SHARE CERTIFICATES**

31.1 If a certificate issued in respect of a shareholder's shares is:

31.1.1 damaged or defaced; or

31.1.2 said to be lost, stolen or destroyed;

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

31.2 A shareholder exercising the right to be issued with such a replacement certificate:

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

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

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

### 32. **COMPANY'S LIEN OVER SHARES**

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

- 32.2 The company's lien over a share:
- 32.2.1 takes priority over any third party's interest in that share; and
  - 32.2.2 extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.
- 32.3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.
- 33. ENFORCEMENT OF THE COMPANY'S LIEN**
- 33.1 Subject to the provisions of this article, if:
- 33.1.1 a lien enforcement notice has been given in respect of a share; and
  - 33.1.2 the person to whom the notice was given has failed to comply with it;
- the company may sell that share in such manner as the directors decide.
- 33.2 A "lien enforcement notice":
- 33.2.1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
  - 33.2.2 must specify the share concerned;
  - 33.2.3 must require payment of the sum payable within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - 33.2.4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
  - 33.2.5 must state the company's intention to sell the share if the notice is not complied with.
- 33.3 Where shares are sold under this article:
- 33.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
  - 33.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 33.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 33.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
  - 33.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any monies payable by him (either alone or jointly with any other person) to the company after the date of the lien enforcement notice.



- 33.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date:

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

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

#### 34. **SHARE TRANSFERS**

- 34.1 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.

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

- 34.3 The company may retain any instrument of transfer which is registered.

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

- 34.5 The directors may, in their absolute discretion, refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

#### 35. **TRANSMISSION OF SHARES**

- 35.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

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

35.2.1 may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person; and

35.2.2 subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

- 35.3 But 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.

#### 36. **EXERCISE OF TRANSMITTEES' RIGHTS**

- 36.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

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

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

#### 37. **TRANSMITTEES BOUND BY PRIOR NOTICES**

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, or the name of any person to whom the transmittee transfers those shares, has been entered in the register of members.

### 38. **CASH PURCHASE OF OWN SHARES**

The company is authorised to purchase its own shares with cash in accordance with section 692(1)(b) of the Act.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### 39. **PROCEDURE FOR DECLARING DIVIDENDS**

- 39.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 39.2 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.
- 39.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 39.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the rights attached to any shares, 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.
- 39.5 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.
- 39.6 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.
- 39.7 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.

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

- 40.1 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:
  - 40.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
  - 40.1.2 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;
  - 40.1.3 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
  - 40.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 40.2 In these articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
  - 40.2.1 the holder of the share; or
  - 40.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

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

#### 41. **NO INTEREST ON DISTRIBUTIONS**

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

41.1.1 the rights attached to the share; or

41.1.2 the provisions of another agreement between the holder of that share and the company.

#### 42. **UNCLAIMED DISTRIBUTIONS**

- 42.1 All dividends or other sums which are:

42.1.1 payable in respect of shares; and

42.1.2 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.

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

- 42.3 If:

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

42.3.2 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.

#### 43. **NON-CASH DISTRIBUTIONS**

- 43.1 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).

- 43.2 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:

43.2.1 fixing the value of any assets;

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

43.2.3 vesting any assets in trustees.

#### 44. **WAIVER OF DISTRIBUTIONS**

- 44.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

44.1.1 the share has more than one holder; or

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

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

## **CAPITALISATION OF PROFITS**

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

- 45.1 Subject to these articles, the directors may, if they are so authorised by an ordinary resolution:
- 45.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - 45.1.2 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.
- 45.2 Capitalised sums must be applied:
- 45.2.1 on behalf of the persons entitled; and
  - 45.2.2 in the same proportions as a dividend would have been distributed to them.
- 45.3 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.
- 45.4 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.
- 45.5 Subject to these articles the directors may:
- 45.5.1 apply capitalised sums in accordance with articles 45.3 and 45.4 partly in one way and partly in another;
  - 45.5.2 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
  - 45.5.3 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.

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **46. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 46.1 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.

- 46.2 A person is able to exercise the right to vote at a general meeting when:
- 46.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 46.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 46.3 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.
- 46.4 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.
- 46.5 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.

#### 47. **QUORUM FOR GENERAL MEETINGS**

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.

#### 48. **CHAIRING GENERAL MEETINGS**

- 48.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 48.2 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:
- 48.2.1 the directors present; or
  - 48.2.2 (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.

- 48.3 The person chairing a meeting in accordance with this article is referred to as the "chairman of the meeting".

#### 49. **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

- 49.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 49.2 The chairman of the meeting may permit other persons who are not:
- 49.2.1 shareholders of the company; or
  - 49.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

#### 50. **ADJOURNMENT**

- 50.1 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.
- 50.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 50.2.1 the meeting consents to an adjournment; or

- 50.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 50.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 50.4 When adjourning a general meeting, the chairman of the meeting must:
  - 50.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - 50.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 50.5 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):
  - 50.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and
  - 50.5.2 containing the same information which such notice is required to contain.
- 50.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

#### **VOTING AT GENERAL MEETINGS**

##### **51. VOTING: GENERAL**

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 these articles.

##### **52. ERRORS AND DISPUTES**

- 52.1 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.
- 52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

##### **53. POLL VOTES**

- 53.1 A poll on a resolution may be demanded:
  - 53.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 53.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 53.2 A poll may be demanded by the chairman of the meeting or any person having the right to vote on the resolution.
- 53.3 A demand for a poll may be withdrawn if:
  - 53.3.1 the poll has not yet been taken; and
  - 53.3.2 the chairman of the meeting consents to the withdrawal.
- 53.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

#### 54. **CONTENT OF PROXY NOTICES**

- 54.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
- 54.1.1 states the name and address of the shareholder appointing the proxy;
  - 54.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 54.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 54.1.4 is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.
- 54.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 54.3 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.
- 54.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 54.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 54.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### 55. **DELIVERY OF PROXY NOTICES**

- 55.1 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.
- 55.2 A proxy notice shall be invalid unless it is received (together with such evidence as the directors may require in relation to any authority under which it is executed) by the company before the commencement of the meeting or adjourned meeting which the proxy is to attend or the time appointed for taking the poll at which the proxy is to vote.
- 55.3 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 55.4 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 or, in the case of a poll, the time appointed for taking the poll.
- 55.5 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.

#### 56. **AMENDMENTS TO RESOLUTIONS**

- 56.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 56.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and

- 56.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 56.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 56.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 56.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 56.3 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.

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

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

- 57.1 Subject to these articles, anything sent or supplied by or to the company under these 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 that Act to be sent or supplied by or to the company.
- 57.2 This article applies to anything sent or supplied by the company to any shareholder or by any shareholder to the company.
  - 57.2.1 Where it is sent by post (whether in hard copy or electronic form) [to an address in the United Kingdom] and the sender or supplier is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the proposed recipient 48 hours after posting within the United Kingdom to an address in the United Kingdom and otherwise 5 days after posting.
  - 57.2.2 Where it is sent or supplied by electronic means and the sender or supplier is able to show that it was properly addressed, it is deemed to have been received by the proposed recipient at the time it was sent or supplied.

In calculating any period of time for the purposes of this article 57.2, no account shall be taken of any day or part of a day that is not a working day.

- 57.3 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
- 57.4 Subject to these 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.
- 57.5 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### **58. COMPANY SEAL**

The company shall not have a common seal.



59. **RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Every shareholder is entitled to inspect any of the company's accounting or other records or documents.

60. **PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

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

**DIRECTORS' INDEMNITY AND INSURANCE**

61. **INDEMNITY**

61.1 Subject to article 61.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, each relevant officer shall be indemnified out of the company's assets against all losses or liabilities which he may sustain or incur:

61.1.1 in or about the execution of the duties of his office or otherwise in relation thereto;

61.1.2 in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;

61.1.3 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).

61.2 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.

61.3 In this article:

61.3.1 companies are "**associated**" if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

61.3.2 a "**relevant officer**" means any director or secretary, or former director or secretary, of the company.

62. **INSURANCE**

62.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer or employee in respect of any relevant loss.

62.2 In this article:

62.2.1 a "**relevant officer or employee**" means any director, secretary or employee, or former director, secretary or employee, of the company or an associated company;

62.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer or employee in connection with that officer's or employee'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

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