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No. SC605260

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

OFFSHORE WIND POWER LIMITED

(As adopted by Special Resolution passed on 11 May.....2020)



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1 PRELIMINARY

- 1.1 In these articles "**Model Articles**" means the model articles set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 as in force on the date when these articles become binding on the company. The articles contained in the Model Articles shall, except where they are excluded or modified by these articles, apply to the company.
- 1.2 Model Articles 2, 4, 6(2), 7, 8, 11, 12, 13, 14, 16, 17, 18, 19, 20, 22, 26(5), 34, 36, 38, 49, 52 and 53 shall not apply to the company but the articles hereinafter contained and the remaining articles of the Model Articles, subject to the modifications hereinafter expressed, shall constitute the articles of the company. Model Articles 3 and 5 shall be amended by the insertion of the words "and any Shareholders' Agreement" after the words "Subject to the articles". Model Article 30(4) shall be amended by the deletion of the words "Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which the shares are issued, specify otherwise" and insertion in its place of the words "Unless any Shareholders' Agreement specifies otherwise". Model Article 32 shall be amended by the deletion of the words from "unless otherwise" to the end of Model Article 32.
- 1.3 Save as expressly stated otherwise, words and expressions defined in the Model Articles shall (unless the context otherwise requires) bear the same meanings in these articles. The headings are inserted for convenience only and shall not affect the construction of these articles.
- 1.4 In these articles (unless the context requires otherwise) the following words have the following meanings:

"**Affiliate**" means in relation to any party:

- (a) a subsidiary or holding company of that party;
- (b) any other subsidiary or holding company of a holding company of that party;
- (c) any trust, partnership, fund or other party in which that party or any person referred to in sub-paragraphs (a) or (b) above is the trustee, general partner, principal, manager, investment adviser, asset adviser and any subsidiary of such person; and
- (d) any person under common Control with that party;

"**Business Day**" means a day (excluding Saturday, Sunday and public holidays) on which banks are generally open in London for the transaction of normal banking business;

"**Control**" means in relation to any person (being the "**Controlled Person**"), being entitled to:

- (a) exercise, or control the exercise of (directly or indirectly) more than 50 per cent. of the voting power at any general meeting of the shareholders, members or partners or other equity holders (and including, in the case of a limited partnership, of the limited partners of) in respect of all or substantially all matters falling to be decided by resolution or meeting of such persons; or
- (b) appoint or remove or control the appointment or removal of directors on the Controlled Person's board of directors or its other governing body (or, in the case of a limited partnership, of the board or other governing body of its general partner) who are able (in the aggregate) to exercise more than 50 per cent. of the voting power at meetings of that board or governing body in respect of all or substantially all matters; and/or
- (c) exercise a dominant influence over the Controlled Person (otherwise than solely as a fiduciary) by virtue of the provisions contained in its constitutional documents

or pursuant to an agreement with other shareholders, partners or members of the Controlled Person,

and "**Controller**", "**Controlled**", and "**Controlling**", shall each be construed accordingly;

"**Departing Shareholder**" means GIG (as defined in the Shareholders' Agreement), where GIG agrees to sell some or all of its Shares which shall in aggregate compose 25% or more of the Shares in issue from time to time to a Third Party Purchaser;

"**Fair Market Value**" means the value attributed to the Shares by a Valuer in accordance with any Shareholders' Agreement;

"**Lock-in Period**" means the period prior to the company obtaining Planning Consent;

"**Planning Consent**" means in relation to the Project and for the benefit of the company:

- (a) consent being granted under Section 36 of the Electricity Act 1989 for the construction and operation of a Generating Station (as defined in that Act);
- (b) a declaration being made pursuant to Section 36A of the Electricity Act 1989 to extinguish public rights of navigation so far as they pass through structures forming part of the offshore windfarm; and
- (c) marine licence(s) pursuant to Sections 20 and 21 of the Marine (Scotland) Act 2010 and subsections 65 and 66 of the Marine and Coastal Access Act 2009 being entered into for the deposit of substances and objects and the construction, alteration or improvements of works;

"**Project**" means an offshore wind farm in the Zone;

"**Relevant Proportion**" means in respect of each Shareholder, the percentage of the total equity share capital of the company held by that Shareholder for the time being;

"**Shareholders' Agreement**" means any agreement between *inter alios* the Shareholders and the company in relation to the Shares in force from time to time;

"**Shareholders**" means the holder(s) for the time being of the Shares'

"**Shares**" means the ordinary shares of £1.00 each in the capital of the company (and any other shares in the capital of the company which are created from time to time);

"**Third Party Purchaser**" means a *bona fide* third party who is not connected to any selling Shareholder or an Affiliate of any selling Shareholder;

"**Valuer**" means an independent firm of accountants with specific experience of the United Kingdom offshore wind market jointly appointed by the Shareholders in dispute or, in the absence of agreement between the Shareholders within ten (10) Business Days of Shareholder serving details of a suggested firm on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales; and

"**Zone**" has the meaning given to it in any Shareholders' Agreement.

2 LIABILITY OF MEMBERS

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

3 OBJECTS OF THE COMPANY

The Green Objective

3.1 The objects of the company are:

- (a) to carry on the business of a company making, facilitating, engaging in and encouraging investments, lending and related activities (including (without limitation) by or with respect to (i) the lending of money, (ii) the grant or provision of credit or other financial accommodation, (iii) the investment of money in investments and other financial assets (including (without limitation) securities (whether debt or equity in character)) and to hold, sell or otherwise deal with such investments or other financial assets, (iv) the grant or provision of guarantees, security or support or (v) the grant or provision of other financial products (in all of the foregoing cases with or without interest, security or consideration)) which the board considers will, or are reasonably likely to, accelerate, advance or result in the completion, deployment, development, emergence, establishment or expansion of any business, enterprise, industry, infrastructure, project or technology which:
 - (i) in respect of each of the foregoing, the board considers will or is reasonably likely to contribute to one or more of the following:
 - (A) the reduction of greenhouse gas emissions;
 - (B) the advancement of efficiency in the use of natural resources;
 - (C) the protection or enhancement of the natural environment;
 - (D) the protection or enhancement of biodiversity; or
 - (E) the promotion of environmental sustainability; and
 - (ii) in respect of the aggregate of the foregoing for each financial year of the company taken together with all of its previous financial years, the board considers will or are reasonably likely to contribute to a reduction in greenhouse gas emissions globally;
- (b) to develop, construct, operate, maintain and decommission an offshore wind farm within the Zone; and
- (c) to do all other things which the board considers ancillary, incidental or conducive to the attainment of the company's foregoing objects,

and the company shall have any and all powers which the board considers ancillary, incidental or conducive to the attainment of the foregoing objects.

DIRECTORS

4 DIRECTORS AND BOARD MEETINGS

- 4.1 Subject to the terms of any Shareholders' Agreement, the board has responsibility for the supervision and management of the company and its business.
- 4.2 Any Shareholder holding 10% or more of the Shares in issue may from time to time may appoint one person to be a director and may appoint a further one director for each additional 10% of Shares held by it from time to time, provided always that no Shareholder shall be entitled to appoint more than five directors to the board at any given time and no fees, costs or expenses shall be payable by the company to such director.

- 4.3 Subject to article 4.4, a Shareholder may at any time remove any director whom it appointed pursuant to article 4.2 from office and appoint another person in his place. Any such appointments or removals shall be effected by an instrument in writing signed by or on behalf of the relevant Shareholder and will take effect upon lodgement at the registered office at the company or on delivery to a meeting of the directors. The party removing a director shall indemnify and keep indemnified the company and the other Shareholders against any claim connected with the director's removal from office.
- 4.4 If any Shareholder has its shareholding reduced such that the number of directors appointed by it exceeds the number of directors that it is permitted to have in office pursuant to article 4.2, such Shareholder shall be deemed to have immediately served notice to remove from office any such director(s) in excess of its permitted allowance and shall not be entitled to appoint any persons in their place. Where only some of the relevant Shareholder's appointed directors are deemed to be removed from office pursuant to this article 4.4, the appointing Shareholder shall be entitled to nominate which of its appointed directors should be so removed and, where no such nomination is made, the company shall decide which of such directors are to be removed from office.
- 4.5 The quorum necessary for the transaction of business at any board meeting shall be one director appointed by each Shareholder who is entitled to appoint a director pursuant to article 4.2 (or their duly appointed alternate). If at any time a Shareholder entitled to appoint a director pursuant to article 4.2 has not taken up their right to appoint any Directors then the quorum at that time shall not require the presence of any directors appointed by that Shareholder.
- 4.6 No business shall be conducted at any meeting of the board unless a quorum is present at the beginning of the meeting and during the period when there is to be voting on any business.
- 4.7 If any meeting of the directors shall not be quorate at the time appointed for such meeting and remains so for a period of 30 minutes, the meeting shall be adjourned to the same time and place the next succeeding week (or if that shall not be a business day, the next succeeding business day thereafter). Provided that notice of any such reconvened meeting has been provided to all eligible directors, if any such reconvened meeting shall not be quorate at the time appointed for such meeting and remain so for a period of 30 minutes, the meeting shall again be adjourned to the same time and place the succeeding week (or if that shall not be a business day, the next succeeding business day thereafter) when, provided that notice of any such reconvened meeting has been provided to all eligible directors, the directors present shall form the quorum.
- 4.8 The directors appointed by each Shareholder pursuant to article 4.2 and present and able to vote at any meeting of the board shall together have such number of votes as would equal the percentage of the total equity share capital of the company held by the Shareholder that appointed them, which number of votes shall be divided equally between such directors (as adjusted to exclude any Shares held by Shareholders who have not appointed directors and Shares which have no voting rights). By way of example, if a Shareholder holds 50% of the Shares (with all Shares being held by Shareholders who appointed directors and no Shares having no voting rights) and two Directors appointed by that Shareholder are present and able to vote at any given meeting of the board, each such director shall be entitled to cast 25% of the votes at that meeting. Subject to any Shareholders' Agreement, questions arising at any meeting of the directors shall be determined by a majority of votes.
- 4.9 A decision may take the form of a resolution in writing, copies of which have been signed by eligible directors who would, had the decision been taken at a meeting of the Board, be capable of exercising a majority of the votes in accordance with article 4.8.

5 CALLING A BOARD MEETING

- 5.1 Unless otherwise agreed, the Shareholders shall procure that board meetings shall be convened and held at least quarterly either in person or by means of conference,

telephone, video link or other similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and any person participating in a meeting in this manner shall be deemed to be present in person at such meeting and shall count in the quorum.

- 5.2 The parties shall ensure that at least five (5) Business Days' notice of a meeting is given to all directors (or their duly appointed alternates) entitled to receive notice of such meetings, accompanied by an agenda specifying in reasonable detail the matters to be raised and copies of any papers to be discussed at the meeting. Upon receiving notification of a meeting of the board, any director shall be entitled to require the inclusion on the agenda of any matter which he would like raised at the meeting provided that he notifies all the other directors and their duly appointed alternates of such inclusion not later than three (3) Business Days prior to the meeting. A shorter period of notice of a meeting of the board may be given if at least one director appointed by each Shareholder entitled to appoint a director pursuant to article 4.2 agree in writing.
- 5.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of the board unless at least one director appointed by each Shareholder entitled to appoint a director pursuant to article 4.2 agree in writing.

6 CHAIRING OF DIRECTORS MEETING

The post of chairperson shall be held by a director duly appointed by the Shareholder with the greatest Relevant Proportion. The chairperson shall not have a casting vote. If the chairperson for the time being is unable to attend any meeting of the board, the Shareholder with the greatest Relevant Proportion shall be entitled to appoint another Director duly appointed by it to act as chairperson at the relevant meeting.

7 ALTERNATE DIRECTORS

- 7.1 Any director (other than an alternate director) may at any time appoint any other director or any other person who is willing to act to be his alternate director. Any director may at any time remove from office an alternate director appointed by him.
- 7.2 An alternate director shall (subject to his giving the company an address for the purpose of communications in electronic form at which notices may be served on him) be entitled to receive notice of all meetings of the directors and of committees of which his appointor is a member and (in the absence of his appointor) to attend and vote as a director and be counted in the quorum at any such meeting and generally (in the absence of his appointor) to perform all the functions of his appointor as a director.
- 7.3 An alternate director may represent more than one director. An alternate director shall have one vote for each director for whom he acts as alternate (in addition, if he is a director, to his own vote) but he shall count as only one for the purpose of determining whether a quorum is present.
- 7.4 An alternate director shall not be entitled to receive any remuneration from the company in respect of his appointment as an alternate director except only such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the company from time to time direct.
- 7.5 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the company and to be repaid expenses and to be indemnified to the same extent as if he were a director.

8 DIRECTORS' GRATUITIES AND PENSIONS

Save as set out in these articles, the directors may not provide any other benefits whether by the payment of gratuities, pensions or other retirement, superannuation, death or disability benefits of any kind or other allowances or benefits to any directors of the company.

9 DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST

- 9.1 The board of directors shall, for the purposes of section 175 of the Companies Act 2006, have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a 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.
- 9.2 Authorisation of a matter under this article 9 shall be effective only if:
- (a) any requirement as to the quorum at the meeting of the board at which the matter is considered is met without counting the director in question and any other interested director (together the "**interested directors**"); and
 - (b) the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted.
- 9.3 Any authorisation of a matter under this article 9:
- (a) may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
 - (b) shall be subject to such conditions or limitations as the board may determine, whether at the time such authorisation is given or subsequently;
 - (c) may be terminated or suspended by the board at any time
- provided always that any such termination or suspension or the imposition of any such conditions or limitations will not affect anything done by the director concerned prior to such event in accordance with the relevant authorisation.
- 9.4 A director shall comply with the terms of any such authorisation and with any policies or procedures dealing with conflicts of interest which are from time to time approved by the board.
- 9.5 Articles 9.1 to 9.4 (inclusive) shall not apply to any interest permitted under article 10.

10 DIRECTORS' PERMITTED INTERESTS

- 10.1 Subject to compliance with article 10.3 a director notwithstanding his office may:
- (a) be a party to, or otherwise interested in, any proposed or existing contract, transaction or arrangement with a relevant company;
 - (b) hold any other office or place of profit with any relevant company (except that of auditor) in conjunction with his office of director on such terms, including as to remuneration, as the directors may determine;
 - (c) hold any other office or place of profit with, or be interested in the shares of, any shareholder of the company;
 - (d) alone, or through a firm or other body corporate with which he is associated, do paid professional work (except as auditor) for any relevant company and be entitled to remuneration for professional services as if he were not a director;
 - (e) be a director or other officer or trustee or representative of, employed by, a partner or a member of, or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested in, any relevant company;

- (f) have any interest which has been authorised by an ordinary resolution of the company, subject to any terms or conditions applicable to such authorisation under or pursuant to such resolution.

10.2 For the purposes of article 10.1 a "*relevant company*" means:

- (a) the company, the ultimate holding company of the company and all subsidiaries and subsidiary undertakings of that holding company; or
- (b) any other body corporate promoted by the company or in which the company is otherwise interested.

10.3 Subject to article 10.4, a director shall declare the nature and extent of any interest permitted under article 10.1 at a meeting of the board or in the manner set out in section 184 or section 185 of the Companies Act 2006 (irrespective of whether the interest is in a transaction or arrangement with the company and whether he is under a duty under the Companies Act 2006 to make such a declaration) or in such other manner as the board may lawfully determine.

10.4 No declaration of an interest shall be required by a director:

- (a) in relation to an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (b) in relation to an interest of which the director is not aware or where the director is not aware of the contract, transaction or arrangement in question (and for these purposes, the director concerned is treated as aware of anything of which he ought reasonably to be aware);
- (c) if, or to the extent that, the other directors are already aware of such interest (and for these purposes, the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- (d) if, or to the extent that, it concerns the terms of his service contract.

11 PROVISIONS APPLYING TO AUTHORISED CONFLICTS AND PERMITTED INTERESTS

11.1 A director shall not by reason of his holding office as director (or of any fiduciary relationship established by holding that office), be accountable to the company for any benefit, profit or remuneration which he or any person connected with him derives from any matter authorised under article 9 or any interest permitted under article 10.

11.2 In fulfilling his office, but subject always to his fiduciary duties to the company, a director is authorised to consider and take into account the interests of the Shareholder that appointed him, and he shall not be in breach of his duty to exercise independent judgment solely by reason of doing so.

11.3 No contract, transaction or arrangement relating to any matter authorised under article 9 or any interest permitted under article 10 shall be liable to be avoided by virtue of such authorised matter or permitted interest.

11.4 A director shall be under no obligation to disclose to the company any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person in relation to any matter authorised under article 9 or any interest permitted under article 10.

11.5 Article 11.4 is without prejudice to any equitable principle or rule of law which may excuse a director from disclosing information where these articles would otherwise require him to do so.

12 PROCEEDINGS OF DIRECTORS

Subject to any terms imposed by the board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the board, a director:

- (a) shall be counted in the quorum for and shall be entitled to attend and vote at any meeting of the board in relation to:
 - (i) any proposed or existing contract, transaction or arrangement with the company in which he is interested and which is permitted under article 10.1(a)
 - (ii) any resolution relating to a matter authorised under article 9 or any interest which is permitted under article 10.1; and/or
- (b) may, where he reasonably believes that any actual or potential conflict of interest arising out of any matter authorised under article 9 or any interest permitted under article 10 exists:
 - (i) absent himself from any meeting of the board (or part of any meeting) at which any such matter or interest will or may be discussed; and/or
 - (ii) make arrangements not to receive or review documents or information relating to any such matter or interest and/or for such documents or information relating to any such matter or interest to be received and reviewed by a professional adviser.

SHARES AND DISTRIBUTIONS

13 EXCLUSION OF STATUTORY PRE-EMPTION RIGHTS

- 13.1 Section 561 of the Companies Act 2006 Act shall not apply to the allotment by the company of any equity security.
- 13.2 No Shares may be issued other than strictly in accordance with the terms of any Shareholders' Agreement.

14 TRANSFER OF SHARES

- 14.1 Subject to the terms of any Shareholders' Agreement the directors may, in their absolute discretion decline to register any transfer of any Share, which is not a fully paid share.
- 14.2 No Shares may be transferred (and the directors will refuse to register any transfer of Shares) other than a transfer strictly in accordance with the terms of any Shareholders' Agreement.

15 PURCHASE OF OWN SHARES

Subject to the Companies Act 2006 but without prejudice to any other provision of these articles and any Shareholders' Agreement, the company may purchase its own Shares, including (without limitation) to the extent permitted by section 692(1ZA) of the Companies Act 2006.

16 DRAG ALONG RIGHTS

- 16.1 The Departing Shareholder may at any time following the Lock-in Period give written notice (a "**Drag Notice**") to each of RIDG and/or its Permitted Transferees (each as defined in the Shareholders' Agreement) (together, the "**Other Shareholders**") requiring them to sell all (but not some only) of their Shares (the "**Called Shares**") to a Third Party Purchaser at the price per Share to be paid by the Third Party Purchaser for the Departing Shareholder's Shares.

- 16.2 The price set out in the Drag Notice (the "**Drag Price**") shall, subject to the terms of any Shareholders' Agreement, be no less per Share than the amount the Departing Shareholder is to be paid by the Third Party Purchaser per Share (including any consideration (in cash or otherwise) received or receivable by the Departing Shareholder or its connected persons which, having regard to the substance of the transaction as a whole, can reasonably be regarded (whether or not expressed to be so) as an addition to the price paid or payable for the Shares.
- 16.3 If an Other Shareholder considers that the Drag Price is less than Fair Market Value, the Other Shareholder may, within ten (10) Business Days of receiving the Drag Notice, provide written notice to the Departing Shareholder objecting to the sale of the Called Shares and referring the matter for determination in accordance with the terms of any Shareholders' Agreement (an "**Objection Notice**").
- 16.4 If the Other Shareholders fail to provide an Objection Notice within the period specified in article 16.3 above, the Other Shareholders shall be bound to sell the Called Shares to the Third Party Purchaser at the price set out in the Drag Notice, with the terms of any Shareholders' Agreement applying to the allocation of the consideration.
- 16.5 If, following a referral pursuant to article 16.3, the Fair Market Value is determined to be:
- (a) equal to or less than the Drag Price, the Other Shareholders shall be bound to sell the Called Shares to the Third Party Purchaser in accordance with the Drag Notice; or
 - (b) greater than the Drag Price, the Other Shareholders shall not be bound to sell the Called Shares to the Third Party Purchaser and, unless otherwise agreed between the Departing Shareholder and the Other Shareholders, any pre-emption rights contained in any Shareholders' Agreement shall apply.
- 16.6 In the event of the Other Shareholders failing or refusing to comply with the terms of this article 16 following receipt of a Drag Notice after becoming bound to sell the Called Shares pursuant to this article 16, each of the Directors appointed by the Departing Shareholder shall forthwith be deemed to be the duly appointed agent or attorney on behalf of each of the Other Shareholders with full power to give, execute, complete and deliver in the name and on behalf of each of the Other Shareholders:
- (a) a transfer of the Called Shares to the Third Party Purchaser; and
 - (b) all such consents, written resolutions and proxies as are necessary for the sale of the Called Shares to proceed in accordance with this article 16 and the terms of any Shareholders' Agreement.
- 16.7 Any of the Directors so appointed by the Departing Shareholder pursuant to article 16.6 may receive and give a good discharge for the purchase money on behalf of the Other Shareholders and (subject to the transfer being duly stamped) enter the name of the Third Party Purchaser in the register of members as the holder by transfer of the Shares so purchased by it.
- 16.8 The relevant Director so appointed by the Departing Shareholder pursuant to article 16.6 shall upon receipt of the purchase monies pay the purchase money into a separate bank account in the company's name and shall hold such money on trust for each of the relevant Other Shareholders until it shall deliver up its certificate or certificates for the relevant Called Shares (or an indemnity, in a form reasonably satisfactory to the board, in respect of any lost certificate) to the company when it shall thereupon be paid the purchase money.
- 16.9 The provisions of this article 16 are subject always to article 14.2.

DECISION-MAKING BY SHAREHOLDERS

17 PROCEEDINGS AT GENERAL MEETINGS

- 17.1 The quorum necessary for the transaction of business at any general meeting shall be one representative of each Shareholder.
- 17.2 Model Article 41(1) shall be modified by the insertion at the end of that regulation of the following sentence: *"If at any adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding that meeting, the meeting shall be dissolved."*
- 17.3 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Model Article 44 shall be modified accordingly.

ADMINISTRATIVE ARRANGEMENTS

18 NOTICES

If a notice or other document is sent by post, it shall be deemed to have been served or delivered twenty-four hours after it was posted or (where second class post is used) forty-eight hours after it was posted. Proof that an envelope containing the notice or document was properly addressed, stamped and put into the post shall be conclusive evidence that the notice was given. Any notice or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered when it was so delivered or left. A notice or other document sent in electronic form shall be deemed to have been served or delivered at the time it was sent. Proof that a notice or other document in electronic form was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.

19 RIGHT TO INDEMNITY

- 19.1 If and only to the extent permitted by law and any Shareholders' Agreement, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the company may, if the board so determines, indemnify out of its own funds:

- (a) every relevant officer against all costs, charges, losses, expenses and liabilities incurred by him:
 - (i) in connection with any negligence, default, breach of duty or breach of trust by him in relation to the company or an associated company;
 - (ii) in performing his duties; and/or
 - (iii) in exercising his powers; and/or
 - (iv) in claiming to perform his duties or exercise his powers; and/or
 - (v) otherwise in relation to or in connection with his duties, powers or office; and
- (b) every relevant officer, where the company or associated company acts as a trustee of an occupational pension scheme, against any liability incurred in connection with the relevant company's activities as a trustee of such scheme.

- 19.2 For the purposes of this article 19 and article 21:

- (a) **"associated company"** shall mean a company which is either a subsidiary or holding company of the company or a subsidiary of the holding company of the company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act); and

- (b) **"relevant officer"** means any director or other officer (or former director or other officer) of the company or an associated company, but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

20 INSURANCE

- 20.1 If and only to the extent permitted by law and any Shareholders' Agreement, but without prejudice to the power contained in article 19, the directors may purchase and maintain at the expense of the company insurance for or for the benefit of any persons who are or were at any time directors, officers (excluding auditor) or employees of the company or any related company or trustees of any pension fund or employees' share scheme in which any employees of the company or any related company are interested.
- 20.2 In this article *"related company"* means (i) any company which is or was the company's holding company or (ii) any body (whether incorporated or not) in which the company or any holding company has or had any kind of interest (whether direct or indirect) or (iii) any body (whether incorporated or not) which is associated or connected in any way with the company or any holding company of the company, (iv) any predecessors in business of the company or any other body referred to in this article 20.2, or (v) any body (whether incorporated or not) which is a subsidiary undertaking of the company or any other body referred to in this article 20.2.

21 FUNDS TO MEET EXPENDITURE

The company (to the extent permitted by law and any Shareholders' Agreement):

- (a) may provide a relevant officer with funds to meet expenditure incurred or to be incurred by him:
- (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the company or an associated company; or
 - (ii) in connection with any application for relief under any of the provisions mentioned in section 205(5) of the Companies Act 2006; or
 - (iii) in defending himself in any investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the company or an associated company; or
- (b) may do anything to enable a relevant officer to avoid incurring such expenditure.