

THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION

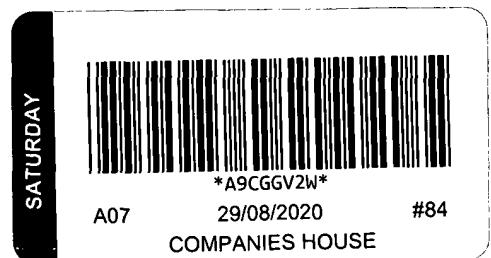
OF

COVENCO (U.K.) LIMITED

(Adopted by Special Resolution passed on 21st October 2019)

Incorporated on 23 February 1989

(Company no: **02351331**)



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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise:

"Act" means the Companies Act 2006

"acting in concert" has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed at the date of these Articles

"Articles" means these articles of association (and any reference to an article shall be a reference to that article of these articles of association)

"Associate" has the meaning given by section 435 of the Insolvency Act 1986

"Auditors" means the auditors for the time being of the Company

"Bad Leaver" means a member (other than a Founder Member) who ceases to be an employee or director where such cessation arises before 1st April 2018 and does not render the member a good leaver

"Board" or the **"Directors"** means the directors for the time being of then Company and unless otherwise stated their duly appointed alternates

"Business Day" means a day on which banks are open for normal banking business in the City of London (excluding Saturdays and Sundays)

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

"Deemed Transfer Notice" means a Transfer Notice deemed to be given under any provision of these Articles

"Default Interest Rate" means four percent above the base lending rate of Barclays Bank plc from time to time

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

"Employee Trust" means any person who will hold the Sale Shares for the benefit of existing or future employees of the Group or any of its subsidiaries from time to time

"Encumbrance" means and includes any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption), or any mortgage, pledge, lien or

assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property)

"Founder Member" or **"Founder Members"** means Simon Howard O'Connell of Barnside House, Terrace Road North, Binfield, Berkshire and Mark Howard Creasey of 6 Northfield, Lightwater, Surrey, GU18 5YR

"Good Leaver" means a member (other than a Founder Member) who ceases to be an employee or director of the Group, where such cessation is as a result of his death, or serious or critical physical illness or incapacity, or unfair, wrongful or constructive dismissal, or occurs after 1st April 2018

"Group" means the Company and its subsidiaries

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

"Non-Founder Member" means any member other than a Founder Member (and as at the date of these Articles, the Non-Founder Members shall be Steven David Hollingsworth and Maurice Troup)

"member" means a holder of Shares from time to time

"Management Buy-Out" means a transaction whereby members of the management of the Company (excluding the Founder Members or their Associates) together with persons acting in concert acquire (s) more than 70% of the issued Shares

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

"Sale" means the acquisition (whether by purchase transfer or otherwise) on bona fide arm's length terms by a bona-fide Third Party Purchaser, together with his Associates and persons acting in concert with him/them, would hold more than 70% of the issued Shares

"Sale Shares" are as defined in Article 26C

"Share" means a Share in the capital of the Company of whatever class having the rights set out in these Articles and "Shares" shall be construed accordingly;

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

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

"Third Party Purchaser" means any person other than a holder of shares (of whatever class) in the Company on the date of adoption of these Articles or any Associate of such holder of shares

“Transfer Notice” has the meaning attributable thereto in Article [] and includes, where the context admits, a Deemed Transfer Notice

“Transferor” means a member who agrees to or wishes to transfer any Shares or is obliged to transfer any Shares pursuant to these Articles

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law

“Valuers” means a firm of chartered accountants agreed between the Transferor and the Directors or, in default of agreement within 20 Business days after the date of the relevant Transfer Notice, appointed by the president of the ICAEW on the application of the Transferor or the Directors

“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.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

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

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

Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

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

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(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 8.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) 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.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(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 not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The 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.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

12.—(1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

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

Conflicts of interest

14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

- (4) For the purposes of this article, the following are permitted causes—
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (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.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

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

Directors' discretion to make further rules

16. 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

Methods of appointing directors

- 17.—(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—
- (a) by ordinary resolution, or
 - (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) 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;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(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.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) 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

All shares to be fully paid up

21.—(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.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue shares

22.—(1) Subject to these 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, up to a maximum nominal value of £20,000.

(2) The Company shall have the power to issue different classes of shares, including (but not limited to) Ordinary shares, Ordinary A shares, Ordinary B shares, Ordinary C shares and Ordinary D shares.

(3) The Ordinary shares, the Ordinary A shares, the Ordinary B shares, the Ordinary C shares and the Ordinary D shares shall be separate classes of shares for the purpose of the declaration of dividends. The declaration of a dividend in respect of one class of share shall not compel a dividend at the same rate to be declared in respect of any other class of share.

(4) Unless otherwise determined by the prior written consent of all the members, any unissued Shares in the capital of the Company from time to time shall before they issued be offered to all members in proportion to the nominal value of the Shares held by them respectively (and such offer shall be at the same price and on the same terms to each member), Such offer shall be made by notice specifying the number and class of Shares offered the proportionate entitlement of the relevant number, the price per share and limiting a period (not being less than 20 Business Days) within which the offer, if not accepted, will be deemed to be declined and after the expiration of such period the Directors shall offer the Shares so declined to the members who have,

within the said period, accepted all the Shares offered to them in the same manner as the original offer and limited by a period of not less than 10 Business Days. If any Shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such Shares. At the expiration of the time limited by the notice(s) the Directors shall allot the Shares so offered to or amongst the members who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer.

(5) Any shares not accepted pursuant to Article 22(2) or not capable of being so offered except by way of fractions and any Shares released from the provisions of this Article by written consent therein specified shall, subject to the provisions of section 80 of the Act, be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that no Shares shall be issued at a discount and provided further that, in the case of Shares not accepted as aforesaid, such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to members.

Company not bound by less than absolute interests

23. 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.

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

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

(5) Certificates must—

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or

(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

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

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

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

Transfers of shares - general

26A.—(1) Each of the Founder Members covenants with each of the other members and the Company that he will not or will not purport to transfer any Share or any interest in any Share unless the transfer is permitted by Article 26B (Permitted Transfers) or made in accordance with Article 26C (Voluntary Transfers) or Article 26D (Drag and Tag Along Rights).

(2) Each of the Non-Founder Members covenants with each of the other members and with the Company that he will not or will not purport to transfer any Share or Any interest in any Share unless the transfer is permitted by Article 26B (permitted transfers) or made in accordance with Article 26C (Voluntary Transfers) or Article 26D (Drag and Tag Along Rights).

(3) An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share, free from any Encumbrance.

(4) No arrangement shall be entered into by any member whereby the terms on which that member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these Articles.

(5) If a member at any time commits a breach of Article 26A (1) or Article 26A (4) in relation to any Share he shall be deemed immediately prior to such breach to have given a Transfer Notice in respect of such Share.

(6) Where a Transfer Notice in respect of any Share is deemed to have been given under any provision of these Articles and the circumstances are such that the Directors (as a whole) are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been by the Directors on the date on which a majority of the Directors (excluding the Transferor) actually became aware of such facts and the provisions of Article 26D shall apply accordingly.

(7) The Directors shall not refuse to register any transfer of a Share which is permitted under these Articles but may in their absolute discretion and without assigning any

reason therefor, decline to register any transfer of a Share on which the Company has a lien.

(8) If a member becomes aware of any event which is deemed to give rise to an obligation on a party (including the member himself) to serve a Transfer Notice under any provision of these Articles he shall forthwith give written notice thereof to the Directors.

Permitted transfers

26B. A member may transfer Shares to any person at any time, with the prior written consent of all the Founder Members.

Voluntary transfers

26C.—(1) Subject to Article 26A (1) and 26A (2) and without prejudice to Article 26E, a Transferor shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a "Transfer Notice") on the Company of his wish to make that transfer, unless the transfer is made pursuant to Article 26B (Permitted Transfers) or Article 26D (Drag and Tag Along Rights).

(2) In the Transfer Notice, the Transferor shall specify

- (a) the number of Shares which he wishes to transfer ("Sale Shares"),
- (b) the identity of the person (if any) to whom the Transferor wishes to transfer the Sale Shares (the "Proposed Transferee");
- (c) the price per Share at which the Transferor wishes to transfer the Sale Shares (the "Proposed Sale Price")
- (d) the other terms relating to the transfer of the Sale Shares, and
- (e) whether the Transfer Notice is conditional upon all (and not part only) of the Sales Shares being sold pursuant to the following provisions of this Article 26C (a "Total Transfer Condition").

(3) Each Transfer Notice shall

- (a) constitute the Directors (excluding where relevant the Transferor) as the agent of the Transferor for the sale of the Sale Shares on the terms of this Article 26C,
- (b) be irrevocable save with the consent of the Founder Members (in respect of a transfer by a Non-Founder Member) or the other Founder Member (in respect of a transfer by a Founder Member) and where there are no Founder Members consent shall be a matter for the Board, and
- (c) be deemed to contain a Total Transfer Condition unless expressly stated otherwise.

(4) The Sale Shares shall be offered for purchase by the Directors at the "Sale Price" which shall be

- (a) the Proposed Sale Price or such other price as may be agreed between the Transferor and the Founder Members (in respect of a transfer by a Non-

Founder Member) or the other Founder Member (in respect of a transfer by a Founder Member) or, where there are no Founder Members, as agreed with the Board, or

- (b) in default of agreement under Article 26C (4) (a) within twenty Business Days after the date of service of the Transfer Notice, the lower of
 - i. The proposed Sale Price, and
 - ii. The price per Share reported on by the Valuers at the Directors' request as their written opinion of the open market value of each Sale Share in accordance with Article 26C (14) (the "Market Value") as at the date of service of the Transfer Notice

(5) within 10 Business Days of agreement or determination of the Sale Price in accordance with Article 26C (4)

- (a) in case of a transfer by a Non-Founder Member, the Founder Members may elect (so long as such Founder Member is still the registered holder of shares in the capital of the Company),
- (b) in the case of a transfer by a Founder Member, the other Founder Member may elect (so long as such Founder Member is still the registered holder of shares in the capital of the Company),
- (c) where no election is made by a Founder Member pursuant to Articles 26C (5) (a) and 26C (5) (b), any Member may elect, by written notice to the Directors to purchase some or all of the Sale Shares at the Sale Price and otherwise subject to the terms specified in the Transfer Notice ("Exercise Notice").

by written notice to the Directors to purchase some or all of the Sale Shares at the Sale Price and otherwise subject to the terms specified in the Transfer Notice ("Exercise Notice").

(6) If an Exercise Notice has not been served in respect of all Sale Shares within the period specified in Article 26C (5) the Directors shall offer the Sale Shares (or such number of them as are not specified in the Exercise Notice) ("the Remaining Sale Shares") for purchase at the Sale Price by a written offer notice ("Offer Notice") to be served on the Employee Trust and the Company within five Business Days of the Transfer Notice.

(7) An Offer Notice shall

- (a) specify the Sale Price,
- (b) expire fifteen Business Days after its service,
- (c) contain the other details required to be included in the Transfer Notice, and
- (d) invite the Employee Trust and the Company to apply in writing, before expiry of the Offer Notice, to purchase the numbers of the Remaining Sale Shares specified by them in their application.

(8) After the expiry date of the Offer Notice (or, if earlier, upon valid applications being received from each of the members) the Directors shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that

- (a) if there are applications from members for more than the number of the Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any member more Sale Shares than the maximum number applied for by him) to the number of Shares then held by them respectively,
- (b) if there are applications for less than the number of Remaining Shares available after an Offer Notice has been served on the Employee Trust in accordance with Article 26C (6) above, an Offer Notice in respect of these Remaining Shares shall be served upon the Company who may buy-back the Remaining Shares (subject always to the Act),
- (c) if it is not possible to allocate any of the Remaining Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Directors thinks fit, and
- (d) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares can be allocated.

(9) The Directors shall, within five Business Days of receipt of an Exercise Notice or, if an Offer Notice was served, within five Business Days of the expiry of the Offer Notice, give notice in writing (a "Sale Notice") to the Transferor and to each person to whom Sale Shares have been allocated (each a "Purchaser") specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the price payable for them, and the time for completion of each sale and purchase.

(10) The Transferor may, during the three calendar month period falling after the expiry of the Offer Notice (in respect of Sale Shares or, if there were applications for less than the number of Sales Shares available, the Remaining Shares), sell any Sale Shares/Remaining Shares for which a Sale Notice has not been given by way of bona fide sale to the Proposed Transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the Proposed Transferee.

(11) Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Exercise Notice or, if a Sale Notice was served, in the Sale Notice (being not less than one week nor more than one month after the expiry of the Offer Notice, unless agreed otherwise in relation to any sale and purchase by the Transferor and the Purchaser(s) concerned) when the Transferor shall, upon payment to him of the Sale Price in respect of the Sale Shares allocated to the Purchaser, transfer those Sale Shares and deliver a duly executed stock transfer form in favour of the Purchaser and the relative Share certificates to that Purchaser. If the Company shall have served an Exercise Notice, the members shall pass such resolutions and approve such other documents as shall be required by the Act and the Transferor shall execute a buy-back agreement in accordance with the Act (or any similar provisions in force from time to time). Article 26C (13) shall for the avoidance of doubt apply in the event a Transferor fails to transfer Shares when required.

(12) For the avoidance of doubt, any Sale Shares not sold pursuant to clause 26C (9) may not be offered or sold to any third party other than in accordance with the Articles.

(13) If a Transferor fails to transfer any Sale Shares when required pursuant to these Articles, the Directors may authorise any person (who shall be deemed to be the attorney of the Transferor for the purpose) to execute the necessary transfer and, if the Company is purchasing Sale Shares, a buy-back agreement in accordance with the Act in respect of such Sale Shares and deliver it on the Transferor's behalf. The Company may receive the purchase money for the Sale Shares from the Purchaser and shall, upon receipt of the transfer duly stamped, register the Purchaser as the holder of those Sale Shares. The Company shall hold the purchase money on trust for the Transferor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the Purchaser (who shall not be concerned to see to the application of it) and, after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article, the validity of that exercise shall not be questioned by any person. If the purchaser shall fail to deliver the purchase monies to the Transferor on the completion date the purchase monies shall bear interest at the Default Interest rate calculated on a daily basis and compounded monthly.

(14) If instructed to report on their opinion of Market Value, whether under Article 26C (4) (b) or otherwise, the Valuers shall act as an expert and not as an arbitrator and their written determination shall be final and binding on the members, save in the case of manifest error appearing within 5 Business Days of their determination, and proceed on the basis that

- (a) the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Shares divided by the number of issued Shares then in issue,
- (b) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares, and
- (c) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

(15) The Company will use its best endeavors to procure that the Valuers deliver their written opinion of the Market Value to the Directors and the Transferor within twenty Business Days of the Directors electing to instruct them.

(16) The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers direct or, if no direction is made, one half by the Transferor and as to the other half by the Purchasers pro rata to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased by the other members pursuant to this Article 26C when the Transferor shall pay all of the Valuer's fees.

Drag and Tag Along Rights

26D.—(1) If one or more members ("the Selling Shareholders") wish to transfer any interest in Shares in an arms' length transaction as part of a Management Buy-Out or to a Third Party Purchaser as part of a Sale, the Selling Shareholders shall first give notice of that intention to the other members setting out the specified price at which their Shares are to be transferred (to be determined in accordance with Article 26D

(4)) and giving reasonable detail of the other terms of the offer received by the Selling Shareholders and the proposed date of transfer ("Drag Offer Notice").

(2) On the service of a Drag Offer Notice the Selling Shareholders shall have the option (the "Drag Along Option") to require the other holders of Shares to transfer all their Shares to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 26D.

(3) the Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a "Drag Along Notice") to the other members (the "Dragged Shareholders"). A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all of their Shares (the "Dragged Shares") pursuant to Article 26D (2) of these Articles, the specified price at which the Dragged Shares are to be transferred (calculated in accordance with Article 26D (4)) and give reasonable detail of the terms of the offer received by the Selling Shareholders and the proposed date of transfer. Where the Selling Shareholders have served a Drag Along Notice no transfer of all or any of the Selling Shareholders' Shares may take place until on or after the fifth Business Day after agreement or determination of the specified price (as defined below).

(4) For the purposes of this Article 26D

(a) the expression "specified price" means the highest of

- i. a price per share equal to the highest price offered to the member or members who have agreed to sell shares as part of a Management Buy-Out or to a Third Party Purchaser or who have executed a transfer in their favour plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares,
- ii. a price per share equal to the highest price paid or payable by the Third Party Purchaser and his Associates or persons acting in concert with him for any shares within the last six months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares, and
- iii. a price per share equal to the amount paid up or credited as paid up on the share concerned.

(b) If the specified price or its cash equivalent cannot be agreed by the Selling Shareholders and Dragged Shareholders within five Business Days of the proposed sale, transfer or other disposition referred to in Article 26D (1), it may be referred to the Valuers by any member and, pending its determination, the sale, transfer or other disposition shall have no effect.

(5) Completion of the sale of the Dragged Shares under this Article 26D shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares unless

- (a) all the Dragged Shareholders and the Selling Shareholders agree otherwise, or
- (b) that date is less than five Business Days after the agreement or determination of the specified price, where it shall be deferred until the fifth Business Day after agreement or determination of the specified price.

(6) If the Selling Shareholders do not issue a Drag Along Notice on serving a Drag Offer Notice the other member may at any time prior to the fifth Business Day following a Drag Offer Notice serve a notice on the Selling Shareholders (the "Tag Notice") requiring the Selling Shareholders to procure the acquisition of all the Shares held by such members (the "Tagged Shares") at the specified price (calculated in accordance with Article 26D (4)) and otherwise on the terms set out in the Drag Offer Notice.

(7) Completion of a sale of Dragged Shares or Tagged Shares under this Article 26D, whether as required by a Drag Along Notice or a Tag Notice, shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares. If the Third Party Purchaser fails to tender, in cleared funds, the full specified price for the Dragged Shares to the Dragged Shareholders by that date the relevant Drag Along Notice (but not, for the avoidance of doubt, any Tag Notice) and all obligations thereunder will lapse unless the Dragged Shareholder and the Selling Shareholders agree otherwise.

(8) A member (whether a Dragged Shareholder or a Selling Shareholder) who sells Shares under this Article 26D pursuant to a Drag Along Notice or Tag Notice shall not be required to give any warranties (other than as to his title to sell his Shares free from Encumbrances) or indemnities to the purchaser of such Shares.

(9) Article 26C (13) shall apply to any sale by Dragged Shareholder or by Selling Shareholders under this Article

Compulsory Transfers

26E - (1) In this Article 26D, a "Transfer Event" means, in relation to any Non-Founder Member

- (a) becoming bankrupt, or
- (b) dying, or
- (c) suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health; or
- (d) ceasing to be a Director and an employee of
 - i. the Company and any member of the Group, and
 - ii. Covenco Recovery Services Limited (company number 03059168) and any of its subsidiaries, and
 - iii. IEnterprises Europe Limited (company number 05757619) and any of its subsidiaries,

- (e) a member making any arrangement or composition with his creditors generally.

(2) Upon the happening of any Transfer Event, the Non-Founder Member in question shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by him (a "Deemed Transfer Notice"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have been validly transferred pursuant to that Transfer Notice. For the avoidance of doubt, this provisions of this Article 26E shall not apply to the Founder Members.

(3) Notwithstanding any other provision of these Articles, any member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Exercise Notice or Sale Notice (whichever the later) given in respect of those Shares.

(4) The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 26C as if they were Sale Shares in respect of which a Transfer Notice had been given save that

- (a) a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Directors at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,
- (b) a Deemed Transfer Notice shall be deemed to contain a Total Transfer Condition and shall be irrevocable,
- (c) the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and
- (d) Article 26E (5) shall apply.

(5) The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice shall:

- (a) in the case of a Good Leaver be the price per Sale Share agreed between the Transferor and the Directors or, in default if agreement within 5 Business Days of the date of service of the Deemed Transfer Notice their Market Value as at the deemed date of service of the Deemed Transfer Notice, and
- (b) in the case of a Bad Leaver, be the price per Sale Share equal to the lower of
 - i. the Market Value of a Sale Share as at the deemed date of service of the Deemed Transfer Notice, and
 - ii. the price at which the Sale Share was subscribed for or purchased by the member in question less any dividends (net of income tax) that have been paid to the member in respect of the Sale Shares (where such calculation results in a negative the price shall be nil).

(6) Immediately prior to a transfer of any Shares in accordance with Article 26D

- (a) The Transferor shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings outstanding to the Group from the Transferor (together with any accrued interest thereon), and
- (b) The Company and any subsidiary (if and to the extent that by so doing they shall not contravene section 151 of the Act) shall repay all loans, loan capital, borrowings and interest in the nature of borrowings outstanding to the Transferor from the Group (together with any accrued interest thereon).

(7) Any Transfer of Shares pursuant to Article 26E shall be made free from any Encumbrances whatsoever and with all rights attached to the Shares.

Transmission of Shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) 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.

Exercise of transmittees' rights

28.—(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

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

(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.

Transmittees bound by prior notices

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

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

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

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

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—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

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

No interest on distributions

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

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

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

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

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

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, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

Waiver of distributions

35. 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—

(a) the share has more than one holder, or
(b) 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

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

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

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

38. 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.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

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

Adjournment

41.—(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.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
 (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- (4) When adjourning a general meeting, the chairman of the meeting must—
 (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 (b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

42. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

43.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

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

Poll votes

44.—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

46.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

47.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49.—(1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(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.

(4) For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. 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.

Provision for employees on cessation of business

51. 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

Indemnity

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

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

53.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.