

**Company No SC132061**

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**Scottish Rugby Limited**

**Incorporated 29 May 1991**

**(Adopted by special resolution on 1 November 2022)**

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## **CONTENTS**

	<b>Page</b>
1 MODEL ARTICLES	1
2 INTERPRETATION	1
3 LIMITATION OF LIABILITY	4
4 NAME	4
5 DIRECTORS' GENERAL AUTHORITY	4
6 SHAREHOLDER'S RESERVE POWER	4
7 DIRECTORS MAY DELEGATE	4
8 COMMITTEES	4
9 DIRECTORS TO TAKE DECISIONS COLLECTIVELY	5
10 UNANIMOUS DECISIONS	5
11 CALLING A DIRECTORS' MEETING	5
12 PARTICIPATION IN DIRECTORS' MEETINGS	6
13 QUORUM FOR DIRECTORS' MEETINGS	6
14 CHAIRING OF DIRECTORS' MEETINGS	6
15 CHAIR'S CASTING VOTE	6
16 ALTERNATES VOTING AT DIRECTORS' MEETINGS	7
17 RECORDS OF DECISIONS TO BE KEPT	7
18 DIRECTORS' DISCRETION TO MAKE FURTHER RULES	7
19 DIRECTORS' INTERESTS IN TRANSACTIONS AND ARRANGEMENTS WITH THE COMPANY	7
20 POWERS OF DIRECTORS TO AUTHORISE CONFLICTS OF INTEREST 8	
21 NUMBER AND METHOD OF APPOINTING DIRECTORS	9
22 TERMINATION OF DIRECTOR'S APPOINTMENT	10
23 DIRECTORS' REMUNERATION	11
24 DIRECTORS' AND OFFICERS' EXPENSES	11
25 ALTERNATE DIRECTORS	12
26 SECRETARY	13

27	COMPANY'S LIEN OVER PARTLY PAID SHARES	13
28	CALLS ON SHARES AND FORFEITURE	13
29	POWERS TO ISSUE DIFFERENT CLASSES OF SHARE	14
30	COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS 14	
31	DIRECTORS' AUTHORITY TO ALLOT SHARES	14
32	SHARE CERTIFICATES	15
33	REPLACEMENT SHARE CERTIFICATES	15
34	SHARE TRANSFERS	15
35	ALTERATION OF SHARE CAPITAL	16
36	FRACTIONAL ENTITLEMENTS	16
37	PROCEDURE FOR DECLARING DIVIDENDS	16
38	CALCULATION OF DIVIDENDS	17
39	PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS	17
40	NO INTEREST ON DISTRIBUTIONS	17
41	UNCLAIMED DISTRIBUTIONS	17
42	NON-CASH DISTRIBUTIONS	18
43	WAIVER OF DISTRIBUTIONS	18
44	CAPITALISATION OF PROFITS	18
45	NOTICE OF GENERAL MEETINGS	19
46	ATTENDANCE AND SPEAKING AT GENERAL MEETINGS	19
47	QUORUM FOR GENERAL MEETINGS	20
48	CHAIRING GENERAL MEETINGS	20
49	ATTENDANCE AND SPEAKING BY DIRECTORS AND NON- SHAREHOLDERS 20	
50	ADJOURNMENT	21
51	VOTING AT GENERAL MEETINGS	21
53	POLL VOTES	21
54	CONTENT OF PROXY NOTICES	22
55	DELIVERY OF PROXY NOTICES	22
56	AMENDMENTS TO RESOLUTIONS	23

57	NOTICES AND COMMUNICATIONS	23
58	COMPANY SEALS	24
59	NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS	24
60	PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS	24
61	WINDING UP	24
62	RESTRICTIONS	25
63	DIRECTORS' INDEMNITY AND INSURANCE	25
64	INSURANCE	25

THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

Scottish Rugby Limited (the "Company")

Incorporated 29 May 1991

(Adopted by special resolution on 1 November 2022)

1. **MODEL ARTICLES**

The Model Articles do not apply to the Company and these Articles alone are the Articles of association of the Company.

2. **INTERPRETATION**

2.1 In the Articles, unless the context requires otherwise:-

<b>"Act"</b>	means the Companies Act 2006
<b>"Alternate" or "Alternate Director"</b>	has the meaning given to it in Article 25.1
<b>"Appointor"</b>	has the meaning given to it in Article 25.1
<b>"Articles"</b>	means the Company's Articles of association
<b>"Board"</b>	means the board of directors of the Company formerly known as the Scottish Rugby Board
<b>"business day"</b>	means any day (other than a Saturday or Sunday) on which clearing banks in the City of London are open for the transaction of normal sterling banking business
<b>"Capitalised Sum"</b>	has the meaning given in Article 44.1.2
<b>"Chair"</b>	has the meaning given to it in Article 14
<b>"Chair of the meeting"</b>	has the meaning given to it in Article 48
<b>"Chief Executive Officer"</b>	means the chief executive officer (or equivalent) of the Company
<b>"Chief Financial Officer"</b>	means the chief financial officer (or equivalent) of the Company

<b>"Club Rugby Board"</b>	means a standing committee of the Union directly responsible for the strategic vision, mission, and development of the club game in Scotland which is constituted via a delegated authority from the board of the Union
<b>"Companies Acts"</b>	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company
<b>"Custodian"</b>	means a director of the Union, and includes any person occupying the position of director of the Union, by whatever name called
<b>"director"</b>	means a director for the time being of the Company, and includes any person occupying the position of director, by whatever name called
<b>"Distribution Recipient"</b>	has the meaning given in Article 39.2
<b>"Eligible Director"</b>	means a director who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of a particular matter)
<b>"Former Association"</b>	means the unincorporated association known as the Scottish Rugby Union
<b>"instrument"</b>	means a document in hard copy form
<b>"Model Articles"</b>	means the model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to the date of adoption of these Articles
<b>"paid"</b>	means paid or credited as paid
<b>"participate"</b>	in relation to a directors' meeting, has the meaning given in Article 12
<b>"persons entitled"</b>	has the meaning in Article 44.1.2
<b>"proxy notice"</b>	has the meaning given in Article 54.1
<b>"President"</b>	means the person holding the office of president of the Former Association, immediately prior to the adoption of these Articles
<b>"Relationship Management Agreement"</b>	means the formal relationship management agreement entered into between the Company and the Union in relation to various corporate governance matters and relationships between the Company and the Union
<b>"Scottish Rugby Council"</b>	means the council of the Former Association formed under the Former Association's bye-laws
<b>"Shareholder"</b>	means a person who is the holder of a share
<b>"shares"</b>	means shares in the Company

<b>"SRL Committee"</b>	<b>Remuneration</b>	means a committee to be formed by the Board and comprising those non-executive directors appointed from time to time by the Company to consider, amongst other things, the appropriate remuneration of directors and of senior employees of the Company and its subsidiaries, as required
<b>"SRL Committee"</b>	<b>Nominations</b>	means a committee to be formed by the Board and comprising those non-executive directors appointed from time to time by the Company to consider among other things nominations for appointment of non-executive directors to the Company and the boards of any subsidiary of the Company
<b>"subsidiary"</b>		has the meaning given in section 1159 of the Act
<b>"transmittee"</b>		means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law
<b>"Union"</b>		means the Scottish Rugby Union, company limited by guarantee with registered number (1431332), the Company's sole shareholder
<b>"Vice-President"</b>		means the person holding the office of vice-president of the Former Association immediately prior to the adoption of these Articles
<b>"writing"</b>		means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2.2 References in these Articles to Shares being **"paid"** means those Shares being paid or credited as paid.

2.3 References in these Articles to **"writing"** means 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.

2.4 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form.

2.5 Unless the context otherwise requires:-

2.5.1 words in the singular include the plural and vice versa;

2.5.2 words in one gender include the other genders; and

2.5.3 words importing natural persons include corporations.

2.6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act:-

<b>Word(s)/expression</b>	<b>Section Number in Act</b>
electronic form	section 1168
equity share capital	section 548
hard copy form	section 1168
ordinary resolution	section 282

special resolution	section 283
working day	section 1173

- 2.7 A reference to an Article by number is to the relevant Article of these Articles.
- 2.8 Headings used in these Articles do not affect their construction or interpretation.
- 2.9 References to a statute or statutory provision is a reference to it as it is in force as at the date of adoption of these Articles.

### 3. **LIMITATION OF LIABILITY**

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

### 4. **NAME**

The Company may change its name only by a special resolution of its Shareholder.

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

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.

### 6. **SHAREHOLDER'S RESERVE POWER**

- 6.1 The Shareholder may, by special resolution of its members, direct the directors to take, or refrain from taking, specified action.
- 6.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

### 7. **DIRECTORS MAY DELEGATE**

- 7.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:-

- 7.1.1 to such person or committee;
- 7.1.2 by such means (including by power of attorney);
- 7.1.3 to such an extent;
- 7.1.4 in relation to such matters or territories; and
- 7.1.5 on such terms and conditions,

as they think fit.

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

### 8. **COMMITTEES**

- 8.1 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.



8.2 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.

8.3 Membership of committees of the Board shall be determined by the Board, taking account of any recommendations from the SRL Nominations Committee.

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

9.1 The general rule about decision-making by directors is that any decision of the directors must be either

9.1.1 a majority decision at a meeting; or

9.1.2 a decision taken in accordance with Article 10; or

9.1.3 a resolution in writing, copies of which have either been signed by a majority of the Eligible Directors or to which a majority of the Eligible Directors have otherwise indicated their agreement in writing.

9.2 If:-

9.2.1 the Company only has one director for the time being; and

9.2.2 no provision of the Articles requires it to have more than one director;

the general rule does not apply, and the director may (for so long as (s)he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

9.3 All acts done by a meeting of directors, or a committee of directors or by any director shall, even if it is discovered afterwards that:-

9.3.1 there was a defect in the appointment of any director; or

9.3.2 any director had been disqualified from holding office; or

9.3.3 any director had vacated office or was not entitled to vote;

shall be valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

## **10. UNANIMOUS DECISIONS**

10.1 A decision of the directors is taken unanimously 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.

10.2 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.

10.3 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.

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

11.1 Any director may call a directors' meeting by giving not less than 5 business days' notice of the meeting (or such lesser notice as all the directors acting reasonably may agree) to the directors or by authorising the company secretary (if any) to give such notice.

11.2 Notice of any directors' meeting must indicate:-

11.2.1 its proposed date and time;

- 11.2.2 where it is to take place;
- 11.2.3 the proposed business of the meetings; and
- 11.2.4 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.

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

11.4 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.

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

12.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

12.1.1 the meeting has been called and takes place in accordance with the Articles; and

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

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

12.3 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.

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

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

13.2 Subject to Article 13.3, the quorum for the transaction of business at a meeting of the directors is any 2 directors, unless a larger number has been fixed by the directors.

13.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 20.1 to authorise a director's conflict of interest, where there is only one director in office who is not party to the relevant conflict, the quorum for such a meeting (or part of a meeting) shall be one Eligible Director.

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

13.4.1 to appoint further directors; or

13.4.2 to call a general meeting so as to enable the Shareholder to appoint further directors.

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

14.1 The person appointed pursuant to Article 21.7 shall chair directors' meetings and shall be known as the Chair.

14.2 If the Chair 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.

## **15. CHAIR'S CASTING VOTE**

15.1 Subject to Article 15.2 if the numbers of votes for and against a proposal at a meeting of directors are equal, the Chair or other director chairing the meeting has a casting vote.

- 15.2 The Chair or other director chairing a meeting (or part of a meeting) shall not have a casting vote if, in accordance with the Articles, the Chair, or other director, is not an Eligible Director for the purposes of that meeting (or part of a meeting).

**16. ALTERNATES VOTING AT DIRECTORS' MEETINGS**

- 16.1 A director who is also an Alternate Director has an additional vote on behalf of each appointor who is:-

16.1.1 not participating in a directors' meeting, and

16.1.2 would have been entitled to vote if they were participating in it.

**17. RECORDS OF DECISIONS TO BE KEPT**

- 17.1 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.

- 17.2 The minutes of the meetings of directors shall be kept and circulated for approval by the directors and shall be published pursuant to the terms of any Relationship Management Agreement.

- 17.3 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form so that they may be read with the naked eye.

**18. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

**19. DIRECTORS' INTERESTS IN TRANSACTIONS AND ARRANGEMENTS WITH THE COMPANY**

- 19.1 Subject to the provisions of the Act, to Article 20, and provided that they have disclosed to the directors the nature and extent of any material interest of theirs, a director notwithstanding their office:-

19.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

19.1.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

19.1.3 shall not, by reason of their office, be accountable to the Company for any benefit which they derive from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- 19.2 For the purposes of Article 19.1:-

19.2.1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

19.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of theirs.

- 19.3 For the purposes of this Article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

- 19.4 Subject to Article 19.5, if a question arises at a meeting of directors or of a committee of director 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 Chair whose ruling in relation to any director other than the Chair is to be final and conclusive.
- 19.5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 19.6 Subject to:-
- 19.6.1 the provisions of Sections 177 and 182 of the Act; and
- 19.6.2 to the terms of any authorisation of a conflict made in accordance with the provisions of Article 20.
- a director may vote at any meeting of directors or of a committee of directors on any resolution concerning a matter in which they have , directly or indirectly, an interest or duty. The director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if they vote then their vote shall be counted.
- 19.7 Notwithstanding the provisions of this Article 19 each of the directors shall be obliged, on appointment, to notify the secretary of the Company of the names of any rugby club and any similar body of which they or their spouse or partner or any of their children or step-children are members which has received or is likely to receive funding from the Company, a subsidiary, or the Union, and to notify the secretary of any changes to such information from time to time.
- 20. POWERS OF DIRECTORS TO AUTHORISE CONFLICTS OF INTEREST**
- 20.1 The directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would, if not so authorised, result in a director infringing their duty under section 175 of the Act to avoid a situation in which they have , or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 20.2 Authorisation of a matter under Article 20.1:-
- 20.2.1 is effective only if the matter has been proposed to the directors by its being submitted in writing for consideration at a meeting of the directors or for the authorisation of the directors by resolution in writing and in accordance with the Board's normal procedures or in such other manner as the Board may approve;
- 20.2.2 is effective only if the director in question provides the other directors with written details of the matter in respect of which authorisation is being sought (includes the nature and extent of their interest in such matter) or in such other manner as the other directors may from time to time direct;
- 20.2.3 is effective only if any requirement as to quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director;
- 20.2.4 is effective only if the matter has been agreed to without the director in question and any other interested director voting or would have been agreed to if their votes had not been counted.
- 20.2.5 may be given subject to any limits or conditions (including as to duration) as the directors may expressly impose from time to time; and
- 20.2.6 may be varied or terminated by the directors at any time (but this will not affect anything done by the relevant director prior to such variation or termination in accordance with the terms of such authority).)

- 20.3 Any authorisation of a matter under Article 20.1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised but do not apply to any conflict of interest arising in relation to any transaction or arrangement with the Company.
- 20.4 The Board may vary the terms or duration of any authorisation given pursuant to Article (including any limits or conditions imposed on it) or revoke such authorisation. A director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation.
- 20.5 Any terms imposed by the Board under Article 20.4 may include (without limitation):-
- 20.5.1 whether the director may vote (or be counted in the quorum) at a meeting of the Board or any committee or sub-committee of the Board in relation to any resolution relating to the relevant matter;
  - 20.5.2 whether the director is to be given any documents or other information in relation to the relevant matter; and
  - 20.5.3 whether the director is to be excluded from discussions in relation to the relevant matter at a meeting of the Board or any committee or sub-committee of the Board or otherwise.
- 20.6 The director shall not be required to disclose any confidential information obtained in relation to the relevant matter (other than through their position as a director of the Company) to the Company or to use or apply it in performing their duties as a director if to do so would result in a breach of a duty or obligation of confidence owed by them in relation to or in connection with that matter.
- 20.7 A director does not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the Act if (s)he acts in accordance with such terms, limits and conditions (if any) as the Board may impose in respect of its authorisation of the director's conflict of interest or possible conflict of interest under Article 20.1.
- 20.8 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which they (or a person connected with them) derives from any matter authorised by the directors under Article 20.1 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

## 21. NUMBER AND METHOD OF APPOINTING DIRECTORS

- 21.1 At the date of adoption of these Articles the Board shall comprise the following individuals in place at the time of adoption of these Articles:-
- 21.1.1 the three independent non-executive directors (the "**Independent Non-Executive Directors**");
  - 21.1.2 the Chair;
  - 21.1.3 the three executive directors, including the Chief Executive Officer, the Chief Financial Officer, and Chief People & Engagement Officer and up to one other full time employee whose appointment will be determined by the Board after recommendation from the SRL Nominations Committee (the "**Executive Directors**"); and
  - 21.1.4 the two representatives of the Scottish Rugby Council (other than the then President and then Vice-President) serving as directors as at 6 June 2022.
- 21.2 Otherwise, the Board shall comprise such number of executive and non-executive directors as the Board shall decide, subject to:
- 21.2.1 the number of directors (other than alternate directors) not being less than 7;
  - 21.2.2 the two representatives of the Scottish Rugby Council referred to in Article 21.1.4 being entitled to complete the terms of office on the Board for which they were originally appointed; and

- 21.2.3 the Union being entitled to appoint up to two non-executive directors to succeed the Scottish Rugby Council representatives referred to in Article 21.1.4 and 21.2.2.
- 21.3 The SRL Nominations Committee shall comprise the Chair and at least two other non-executive directors then in office.
- 21.4 Subject to Article 21.2.3, only a person nominated for appointment by the SRL Nominations Committee may be appointed as a director. Custodians and members of the Club Rugby Board will not be eligible for appointment to the Board.
- 21.5 Subject to the provisions of this Article 21 any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:-
- 21.5.1 by ordinary resolution; or
- 21.5.2 by a decision of the directors.
- 21.6 Subject to the non-executive directors on the Board at the time of adoption of these Articles being entitled to complete their then existing terms of office as directors, each member of the Board who is a non-executive director or Chair shall serve for a term of three years and shall be eligible for re-appointment for one additional three-year term in any twelve-year period.
- 21.7 Subject to the approval of a majority of the Custodians, the Chair shall be such person as the directors may appoint or re-appoint as a non-executive director and Chair, taking account of any recommendation from the SRL Nominations Committee.
- 21.8 The President and, if they are also a director, the Vice-President of the Scottish Rugby Council shall resign as directors of the Company on adoption of these Articles. The remaining representatives of the Scottish Rugby Council as at the date of adoption of these Articles shall retire as directors of the Company upon cessation of their current term. The Chair at the time of adoption of these Articles shall be entitled to continue in post for the remainder of their first term of office without requiring approval of the Custodians under Article 21.7. Re-appointment for a further term as Chair shall be subject to Article 21.7.

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

- 22.1 A person ceases to be a director as soon as:-
- 22.1.1 that person ceases to be a director by virtue of any provision of the Act or these Articles or is prohibited from being a director by law;
- 22.1.2 a bankruptcy order is made against that person;
- 22.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 22.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 22.1.5 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;
- 22.1.6 they are convicted of a criminal offence (other than a motoring offence or series of offences not resulting in disqualification) and the directors resolve that their office be vacated; or
- 22.1.7 in the case of a person who is also an employee of the Company they cease to be such an employee; or

22.1.8 they shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that their office be vacated; or

22.1.9 all the other directors unanimously resolve that their office be vacated.

22.2 In addition and without prejudice to the provisions of section 168 of the Act, the Company may by ordinary resolution (whether at a general meeting or in writing and without special notice) remove any director before the expiration of their period of office and may by ordinary resolution (whether at a general meeting or in writing and without any special notice) appoint another director in their place.

22.3 Each member of the Board will require to consent in writing to such code of conduct as the Board may from time to time require applying, to them as an individual. In the event of any director refusing to so consent such director may be removed from office by resolution of the Board.

## **23. DIRECTORS' REMUNERATION**

23.1 Directors may undertake any services for the Company that the directors decide.

23.2 Directors are entitled to such remuneration as the Board, taking into account any advice or recommendation of the SRL Remuneration Committee, determine:-

23.2.1 for their services to the Company as directors, and

23.2.2 for any other service which they undertake for the Company.

23.3 Subject to the Articles, a director's remuneration may:-

23.3.1 take any form; and

23.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

23.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

23.6 The non-executive directors shall be entitled to receive such remuneration as is agreed by the Board on the recommendation of the SRL Remuneration Committee.

## **24. DIRECTORS' AND OFFICERS' EXPENSES**

24.1 The Company may pay any reasonable expenses which the officers (including alternate directors and the secretary) properly incur in connection with their attendance at:-

24.1.1 meetings of directors or committees of directors;

24.1.2 general meetings; or

24.1.3 separate meetings of the holders of any class of shares or of debentures of the Company

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

## 25. **ALTERNATE DIRECTORS**

25.1 Any director (the "**Appointor**") may appoint as an alternate (the "**Alternate Director**") any director, or any other person approved by resolution of the directors, to:-

25.1.1 exercise that director's powers; and

25.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's Appointor.

25.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

25.3 The notice must:-

25.3.1 identify the proposed alternate, and

25.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

25.4 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's Appointor.

25.5 Alternate directors:-

25.5.1 are liable for their own acts and omissions;

25.5.2 are subject to the same restrictions as their Appointors; and

25.5.3 are not deemed to be agents of or for their Appointors.

25.6 A person who is an alternate but not a director:-

25.6.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and

25.6.2 may sign a written resolution (but only if it is not signed or to be signed by that person's Appointor).

No alternate may be counted as more than one director for such purposes.

25.7 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

25.8 An alternate director's appointment as an alternate terminates:-

25.8.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

25.8.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;

25.8.3 on the death of the alternate's Appointor; or

25.8.4 when the alternate's Appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the Appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting.



**26. SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration, and upon such conditions as they may think fit and from time to time to remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

**27. COMPANY'S LIEN OVER PARTLY PAID SHARES**

27.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

27.2 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

27.3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.

27.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

**28. CALLS ON SHARES AND FORFEITURE**

28.1 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his/her shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which of the call was made.

28.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

28.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

28.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

28.5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.

28.6 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

- 28.7 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 28.8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 28.9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 28.10 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 28.11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall their title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

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

- 29.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 29.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

## **30. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

The Company may recognise in such manner and to such extent as it may in its absolute discretion think fit, any trusts in respect of shares. If the Company does recognise any such trust, it is not bound to see the execution, administration and governance of any trust (whether express, implied or constructive) in respect of any shares and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owner of such shares. In this Article, "trust" includes any right in respect of any shares other than an absolute right or any other rights in transmission.

## **31. DIRECTORS' AUTHORITY TO ALLOT SHARES**

Save to the extent authorised from time to time by an ordinary resolution of the Shareholder, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

## **32. SHARE CERTIFICATES**

- 32.1 The Company must issue the Shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds within one month after allotment or lodgement of transfer (or within such other period as the terms of issue shall provide).
- 32.2 Every certificate must specify:-
- 32.2.1 in respect of how many shares, of what class, it is issued;
  - 32.2.2 the nominal value of those shares;
  - 32.2.3 the amount or the respective amounts paid up on the shares; and
  - 32.2.4 any distinguishing numbers assigned to them.
- 32.3 No certificate may be issued in respect of shares of more than one class.
- 32.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 32.5 Certificates must:-
- 32.5.1 have affixed to them the Company's common seal; or
  - 32.5.2 be otherwise executed in accordance with the Companies Acts.

## **33. REPLACEMENT SHARE CERTIFICATES**

- 33.1 If a certificate issued in respect of a Shareholder's shares is:-
- 33.1.1 damaged or defaced; or
  - 33.1.2 said to be lost, stolen or destroyed
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 33.2 A Shareholder exercising the right to be issued with such a replacement certificate:-
- 33.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 33.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 33.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

## **34. SHARE TRANSFERS**

- 34.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 34.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 34.3 The Company may retain any instrument of transfer which is registered.
- 34.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

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

## **35. ALTERATION OF SHARE CAPITAL**

- 35.1 The Company may by ordinary resolution:-

- 35.1.1 increase its share capital by new shares of such amount as the resolution prescribes;
- 35.1.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 35.1.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- 35.1.4 cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

- 35.2 Subject to the provisions of the Act, the Company may by special resolution reduce in share capital, any capital redemption reserve and any share premium account in any way.

## **36. FRACTIONAL ENTITLEMENTS**

- 36.1 If on any consolidation and division or sub-division of shares, a Shareholder is entitled to fractions of shares, the directors may:-

- 36.1.1 sell the shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and
- 36.1.2 distribute the net proceeds of sale in due proportion among the holders of the shares.

- 36.2 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

- 36.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

- 36.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **37. PROCEDURE FOR DECLARING DIVIDENDS**

- 37.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

- 37.2 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.

- 37.3 No dividend may be declared or paid unless it is in accordance with the Shareholder's respective rights.

- 37.4 Unless the Shareholder's 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.

37.5 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.

37.6 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.

37.7 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.

#### 38. **CALCULATION OF DIVIDENDS**

38.1 Except as otherwise produced by these Articles or the rights attached to the shares, all dividends must be declared and distributed amongst the holders of shares proportionately according to the number of shares held (irrespective of the amount paid up on such shares).

38.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

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

39.1 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:-

39.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;

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

39.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or

39.1.4 any other means of payment as the directors agree with the distribution recipient in writing.

39.2 In the Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:-

39.2.1 the holder of the share; or

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

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

#### 40. **NO INTEREST ON DISTRIBUTIONS**

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

40.1.1 the terms on which the share was issued; or

40.1.2 the provisions of another agreement between the holder of that share and the Company.

#### 41. **UNCLAIMED DISTRIBUTIONS**

41.1 All dividends or other sums which are:-

41.1.1 payable in respect of shares; and

41.1.2 unclaimed after having been declared or become payable,

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

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

41.3 If:-

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

41.3.2 the distribution recipient has not claimed it,

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

#### 42. **NON-CASH DISTRIBUTIONS**

42.1 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).

42.2 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:-

42.2.1 fixing the value of any assets;

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

42.2.3 vesting any assets in trustees.

#### 43. **WAIVER OF DISTRIBUTIONS**

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

43.1.1 the share has more than one holder; or

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

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

#### 44. **CAPITALISATION OF PROFITS**

44.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:-

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

44.1.2 appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

- 44.2 Capitalised Sums must be applied:-
- 44.2.1 on behalf of the persons entitled; and
  - 44.2.2 in the same proportions as a dividend would have been distributed to them.
- 44.3 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.
- 44.4 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.
- 44.5 Subject to the Articles the directors may:-
- 44.5.1 apply Capitalised Sums in accordance with Articles 44.3 and 44.4 partly in one way and partly in another;
  - 44.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
  - 44.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.
45. **NOTICE OF GENERAL MEETINGS**
- 45.1 An annual general meeting and a general meeting called for the passing of a special resolution shall be called by at least 6 weeks' notice. All other meetings shall be called by at least 14 clear days' notice.
- 45.2 A general meeting may be called by shorter notice if it is so agreed:-
- 45.2.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
  - 45.2.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95% in nominal value of the shares giving that right.
- 45.3 The notice of a general meeting of the Company must state:-
- 45.3.1 the time and date of the meeting;
  - 45.3.2 the place of the meeting; and
  - 45.3.3 the general nature of the business to be transacted.
46. **ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**
- 46.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 46.2 A person is able to exercise the right to vote at a general meeting when:-
- 46.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

46.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

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

47.1 No business other than the appointment of the Chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

47.2 A quorum shall be the person or persons present and holding or representing by proxy in the aggregate at least one-half of the capital of the Company whose holders are entitled to be present and vote unless the Company has only one Shareholder in which event the quorum shall be one.

47.3 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

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

48.1 If the directors have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.

48.2 If the directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:-

48.2.1 the directors present; or

48.2.2 (if no directors are present), the meeting

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

48.3 The person chairing a meeting in accordance with this Article is referred to as "**the Chair of the meeting**".

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

49.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

49.2 The Chair of the meeting may, in accordance with the terms of any Relationship Management Agreement, permit other persons who are not:-

49.2.1 shareholders of the Company; or

49.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings to attend and speak at a general meeting.



**50. ADJOURNMENT**

- 50.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it.
- 50.2 The Chair of the meeting may adjourn a general meeting at which a quorum is present if:-
- 50.2.1 the meeting consents to an adjournment; or
  - 50.2.2 it appears to the Chair of the meeting that an adjournment is necessary to protect the safety or wellbeing of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner or it is otherwise in the Company's interests to do so.
- 50.3 The Chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 50.4 When adjourning a general meeting, the Chair of the meeting must:-
- 50.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - 50.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 50.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):-
- 50.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
  - 50.5.2 containing the same information which such notice is required to contain.
- 50.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

**51. VOTING AT GENERAL MEETINGS**

- 51.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
52. If a court has appointed a person to manage the affairs of a shareholder as a result of a mental disorder of such shareholder, the person appointed by that a court may, provided (s)he has, not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the directors that (s)he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll.
- 52.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 52.2 Any such objection must be referred to the Chair of the meeting, whose decision is final.

**53. POLL VOTES**

- 53.1 A poll on a resolution may be demanded:-
- 53.1.1 in advance of the general meeting where it is to be put to the vote; or

53.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

53.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

53.3 A demand for a poll may be withdrawn if:-

53.3.1 the poll has not yet been taken, and

53.3.2 the Chair of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

53.4 Polls must be taken immediately and in such manner as the Chair of the meeting directs.

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

54.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:-

54.1.1 states the name and address of the shareholder appointing the proxy;

54.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

54.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

54.1.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid unless the directors in their absolute discretion, at any time before the start of the meeting (or adjourned meeting) and otherwise determine and accept the proxy notice.

54.2 In calculating the period of 48 hours referred to in Article 54.1, no account shall be taken of any part of a day that is not a working day.

54.3 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

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

54.5 Unless a proxy notice indicates otherwise, it must be treated as:-

54.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

54.5.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

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

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

- 55.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 55.3 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.
- 55.4 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.

## **56. AMENDMENTS TO RESOLUTIONS**

- 56.1 A resolution (whether ordinary or special) to be proposed at a general meeting may be amended by ordinary resolution if:-
- 56.1.1 the Chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 56.1.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 56.2 If the Chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chair's error does not invalidate the vote on that resolution.

## **57. NOTICES AND COMMUNICATIONS**

- 57.1 The Company may send, supply or give any document, information or notice to a Shareholder by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant Shareholder (provided that Shareholder has individually agreed (or is deemed to have agreed) to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.
- 57.2 A notice given by means of a website shall be deemed to have been sent, supplied or given when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 57.3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.
- 57.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:-
- 57.4.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - 57.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 57.4.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 57.4.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

57.5 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the Company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.

57.6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

57.7 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.

57.8 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.

#### **58. COMPANY SEALS**

58.1 Any common seal may only be used by the authority in writing of the directors.

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

58.3 Unless otherwise decided by the directors in writing, 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.

58.4 For the purposes of this Article, an authorised person is:-

58.4.1 any director of the Company;

58.4.2 the Company secretary (if any); or

58.4.3 any person authorised by the directors in writing for the purpose of signing documents to which the common seal is applied.

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

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

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

The directors may decide to make provision for the benefit, whether through the payment of gratuities, contribution to pension schemes or insurance premiums or otherwise, of persons employed or formerly employed by the Company or any of its subsidiaries, including directors or former directors and their respective spouses or legal partners and dependent relatives, and may make or continue to make provision in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

#### **61. WINDING UP**

61.1 If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members of different classes of members.

61.2 The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as (s)he with the sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

## **62. RESTRICTIONS**

62.1 Except with the prior sanction of the Union the Company shall comply with such restrictions agreed between the Company and the Union as set out in any Relationship Management Agreement.

## **63. DIRECTORS' INDEMNITY**

63.1 Subject to Article 63.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:-

63.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer in the actual or purported execution and/or discharge of their duties, or in relation to them including (in each case) any liability incurred by them in defending any civil or criminal proceedings, in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

63.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in Article 63.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

63.2 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.

## **64. INSURANCE**

64.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

64.2 In this Article and in Article 63 :-

64.2.1 a "relevant officer" means any director or other officer of the Company or an associated company (including any such company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not they are also a director or other officer), to the extent they acts in their capacity as auditor)

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

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