

Company number SC436030

PRIVATE COMPANY LIMITED BY GUARANTEE

WRITTEN RESOLUTION of ZERO WASTE SCOTLAND LIMITED (Company)

24/6/2014 (Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution (Resolution).

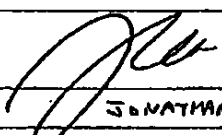
SPECIAL RESOLUTION

"That the Company hereby adopts new Articles of Association in the form of the draft Articles of Association attached to this Resolution, in substitution for and to the exclusion of the existing Articles of Association of the Company".

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, a person entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agrees to the Resolution:

Signed by	Signature of director	
	Print Name	JONATHAN DAVID LEA
	For and on behalf of The Waste and Resources Action Programme	
	Date	24/6/2014

NOTES

- If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - By Hand: delivering the signed copy to the Company Secretary at the Company's registered office.
 - Post: returning the signed copy by post to the Company Secretary at the Company's registered office.
 - E-mail: by attaching a scanned copy of the signed document to an e-mail and sending it to jonathan.lea@wrap.org.uk. Please enter "Written resolutions – Articles of Association" in the e-mail subject box.

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WEDNESDAY



SCT 02/07/2014 #569
COMPANIES HOUSE

If you do not agree to the Resolution, you do not need to do anything. You will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
3. Unless, by 28 days from the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company Number: SC436030

THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

ZERO WASTE SCOTLAND LIMITED (as adopted by Special Resolution passed on
24 JUNE 2014)

GENERAL

1 Definitions and Interpretation

1.1 In these Articles the following words shall have the following meanings:

<u>Word</u>	<u>Meaning</u>
"2006 Act"	the Companies Act 2006;
"Articles"	these Articles of Association as altered from time to time;
"Board"	the Board of directors of the Company;
"Board Member"	a director of the Board for the time being of the Company;
"clear days"	in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given or on which it is to take effect;
"Companies Acts"	the Companies Act 1985 and the 2006 Act and every other statute, statutory regulation or order for the time being in force concerning companies registered under the 1985 Act or the 2006 Act;
"Company"	Zero Waste Scotland Limited;
"electronic address"	any address or number used for the purpose of sending or receiving notices, documents or information by electronic means;

"electronic communication"	any document or information sent or supplied in electronic form within the meaning of section 1168 2006 Act;
"electronic form"	has the same meaning as in section 1168 2006 Act;
"electronic means"	has the same meaning as in section 1168 2006 Act;
"Member"	a member of the Company;
"month"	calendar month;
"the Office"	the registered office of the Company;
"person"	any individual or corporate body;
"representative"	the representative of a Member who attends general meetings on behalf of that Member and of whose identity and status the Secretary has been notified in writing; and
"the Secretary"	the Secretary for the time being of the Company.

- 1.2 And words importing the singular number only shall include the plural number, words denoting any gender include every gender, words denoting persons include bodies corporate and unincorporate and references to the whole include the part and, in each case, vice versa. Headings shall not affect interpretation.
- 1.3 Subject as aforesaid, any words or expressions defined in the Companies Acts, shall if not inconsistent with the subject or context, bear the same meanings in the Articles.
- 1.4 Any reference elsewhere in these Articles to any statute or statutory provision includes a reference to any modification or re-enactment of it for the time being in force.
- 1.5 Any reference to writing includes a reference to any method of reproducing words in a legible form and documents or information sent or supplied in electronic form or made available on a website are in 'writing' for the purposes of these Articles.
- 1.6 Any reference to doing something by electronic means includes doing it by an electronic communication.
- 1.7 Any reference to a signature or to something being signed or executed includes an electronic signature or other means of verifying the authenticity of an electronic communication which the Board may from time to time approve, a signature printed or reproduced by mechanical or other

means or any stamp or other distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person.

MEMBERS AND LIABILITY OF MEMBERS

2 Members and Liability of Members

- 2.1 The provisions of section 113 of the 2006 Act shall be observed by the Company and every Member of the Company shall either sign a written consent to become a member or sign the register of members on becoming a Member.
- 2.2 The liability of the members is limited.
- 2.3 Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the Company if it should be wound up while she or he is a member or within one year after she or he ceased to be a member, for payment of the Company's debts and liabilities contracted before she or he ceased to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.

OBJECTS AND POWERS

3 Objects and Powers

- 3.1 The objects for which the Company is established are (and are restricted to):
 - 3.1.1 the promotion and encouragement of sustainable resource use by means of the promotion and facilitation of waste minimisation, recycling and re-use of waste materials;
 - 3.1.2 the development and facilitation of markets for recycled and waste products;
 - 3.1.3 the provision and encouragement of expertise, knowledge and best practice in relation to sustainable resource use;
 - 3.1.4 the improvement of understanding of the waste stream and the opportunities for re-use and recycling;
 - 3.1.5 the encouragement of an integrated approach to materials resource use;
 - 3.1.6 the carrying out and stimulation of research and development in any and all areas of and relating to sustainable resource use;
 - 3.1.7 the doing of all such other things as are incidental or conducive to the attainment of these objects.
- 3.2 The powers of the Company, which may be used to further the objects but not further or otherwise shall be:

- 3.2.1 to provide information, advice and training gratuitously or otherwise;
- 3.2.2 to provide consultancy services gratuitously or otherwise;
- 3.2.3 to establish and operate a helpline offering advice on sustainable resource use;
- 3.2.4 to hold exhibitions, meetings, lectures, classes, workshops, seminars, conferences and courses either alone or with others, gratuitously or otherwise;
- 3.2.5 to write or cause to be written, and printed or otherwise reproduced and disseminated, gratuitously or otherwise, reports, periodicals, magazines, books, leaflets or other documents or materials stored electronically, optically, magnetically or on paper;
- 3.2.6 to disseminate, gratuitously or otherwise, guidance and codes on good practice in relation to sustainable resource use;
- 3.2.7 to publicise and promote the objects of the Company through all media and forms of communication;
- 3.2.8 to encourage and make representations in support of such changes to the standards and practices of industry as may be considered desirable or necessary;
- 3.2.9 to promote, sponsor and commission research and development in areas conducive to the objects of the Company;
- 3.2.10 to call for, collect, review, and evaluate articles, papers, books, and the results of research conducted by any person and to disseminate the same and the results of any review or evaluation;
- 3.2.11 to collect, disseminate and retain in databases, whether electronically or otherwise, data and information relevant to the objects of the Company, complying at all times with the Data Protection Act 1998;
- 3.2.12 to support and invest in recycling capacity and the identification, development and marketing of technologies and processes for the recycling and re-use of waste materials by such methods as may be considered fit including but not limited to purchasing shares in, making grants, making loans or providing subsidies to and making investment swaps, hedging and other investment contracts in relation to businesses on such terms and on such security as may be thought fit;
- 3.2.13 to provide financial and other incentives for investment in the recycling and re-use of waste materials;
- 3.2.14 to promote and facilitate investment by venture capital funds and other private capital funds in new technologies for the use and processing of waste materials;

- 3.2.15 to create financial instruments;
- 3.2.16 to intervene in the market for recycled and waste products and waste materials to stabilise prices and availability using such methods as may be thought fit including but not limited to purchasing and disposing of such products and materials on such terms as may be thought fit;
- 3.2.17 to identify, by the analysis of data and information, by undertaking market research or by such other methods as may be thought fit, potential users for products made from recycled or waste materials and barriers to development of the market for such products;
- 3.2.18 to co-operate and collaborate with institutions, agencies, societies (incorporated or unincorporated), businesses, industry representatives, local government and national government and other organisations or persons and to enter into and carry into effect agreements for such co-operation and collaboration;
- 3.2.19 to support, financially or otherwise institutions, agencies, societies (unincorporated or incorporated), businesses and any other bodies engaging in work which furthers the attainment of the objects of the Company;
- 3.2.20 to encourage, facilitate and support, financially or otherwise, communication and co-operation between institutions, agencies, societies (incorporated or unincorporated), businesses, industry representatives, local government and national government and other organisations or persons engaging in work which furthers the attainment of the objects of the Company;
- 3.2.21 to encourage, facilitate and support, financially or otherwise, communication and co-operation between businesses or persons producing waste and users or potential users of that waste and between businesses or persons engaged in the production of waste and recycled products and consumers or potential consumers of those products;
- 3.2.22 to accept subscriptions, donations, grants, devises and bequests of and to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal estate, maintain and alter any of the same as are necessary for any of the objects of the Company and to sell, lease or otherwise dispose of or mortgage any such real or personal estate;
- 3.2.23 to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise;
- 3.2.24 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts;

- 3.2.25 to lend, borrow or raise money for the objects of the Company on such terms and on such security as may be thought fit;
- 3.2.26 to take and accept gifts of money, property or other assets, whether subject to any special trust or not, for any one or more of the objects of the Company;
- 3.2.27 to invest and apply the moneys of the Company in any way (whether or not it involves any liability or produces any income or gain);
- 3.2.28 to place any moneys of the Company not immediately required for its purposes on deposit with a bank approved by the board of the Company;
- 3.2.29 to make any charitable donations either in cash or assets for the furtherance of the objects of the Company;
- 3.2.30 to employ, engage, pay or provide such persons whose services may be deemed expedient in order to carry out or promote all or any of the objects, in particular to supervise, organise, carry on the work of and advise the Company;
- 3.2.31 to insure and arrange insurance cover for and to indemnify its officers, servants and voluntary workers and those of its members from and against all such risks incurred in the course of the performance of their duties as may be thought fit;
- 3.2.32 to establish and support, and to aid in the establishment and support of, any other association formed to promote all or any of the objects of the Company;
- 3.2.33 to amalgamate with any companies, institutions, societies or associations which have objects altogether or mainly similar to those of the Company and which prohibit the payment of any dividend or profit to and distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Company by these Articles;
- 3.2.34 to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any body with which the Company is authorised to amalgamate;
- 3.2.35 to transfer all or any part of the property, assets, liabilities and engagements of the Company to any body with which the Company is authorised to amalgamate;
- 3.2.36 to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
- 3.2.37 to establish subsidiary companies;
- 3.2.38 to do all such other lawful things as shall further the objects or any of them;

PROVIDED THAT in case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

- 3.3 The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles and no portion thereof shall be paid or transferred directly by way of dividend bonus or otherwise howsoever by way of profit, or indirectly by way of dividend bonus or otherwise howsoever by way of profit to its members or to any of them provided that nothing herein shall prevent any payment in good faith by the Company:

3.3.1 of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;

3.3.2 of interest on money lent by any member of the Company at any rate per annum not exceeding 2% less than the base lending rate prescribed for the time being by the Company's bankers or 3% whichever is greater.

MEMBERSHIP

- 4 The Board may from time to time determine objective and reasonable criteria for membership of the Company.
- 5 Every person who wishes to become a Member of the Company shall deliver to the Company an application for membership in such form (if any) as the Board require to be executed by him and the Board shall consider each application and shall grant membership as a Member to each and every person who satisfies them that he fulfils any criteria determined by the Board and that he is committed to the objects of the Company as set out in these Articles.
- 6 Upon being granted membership to the Company by the Board, a Member shall submit to the Company an instrument naming his representative who shall exercise all the powers of the Member. The instrument appointing the representative for a Member shall be in writing and must be deposited at the Office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of appointment shall not be treated as valid. The instrument shall be valid until revoked or replaced.
- 7 An instrument appointing a representative shall be in the following form or such other form as is approved by the Board:

"Zero Waste Scotland Limited (the "Company")

We, a Member of the Company hereby appoint and

failing him/her as our representative at all meetings of the Company.

Signed by a duly authorised signatory of)

)

Dated:

)

Signed by a duly authorised signatory of)

)

Dated:

)'

- 8 A Member shall pay to the Company such subscription (if any) and at such times as the Board shall determine.

DETERMINATION OF MEMBERSHIP

- 9 A Member may at any time withdraw from the Company by giving at least three calendar months' (or such shorter period as may be determined by the Board from time to time) notice to the Company in writing to the Secretary addressed to him or her at the Office.
- 10 Membership of the Company may be revoked by the Board in accordance with Article 11.
- 11 The Board may revoke the membership of any Member of the Company if the Board is satisfied that the Member:
- 11.1 is more than six months in arrears with his subscription (if any) or other sums;
 - 11.2 has acted, or omitted to act, in such a way as to bring the Company into disrepute;
 - 11.3 has acted, or omitted to act, in a manner inconsistent with the objects of the Company or which leads the Board to conclude that the member is not committed to the objects of the Company;
 - 11.4 has become sequestrated, bankrupt or insolvent or has made any arrangement or composition with his creditors generally.

GENERAL MEETINGS

- 12 The Company shall hold a general meeting in every calendar year as its annual general meeting at such time and place as may be determined by the Board and shall specify the meeting as such in the notices calling it.
- 13 The Board may whenever they think fit convene a general meeting, and general meetings shall also be convened on requisition, or in default may be convened by such requisitionists, as provided by sections 303 and 305 of the 2006 Act.

- 14 Not less than 14 clear days' written notice of every annual general meeting and of all other general meetings of the Company shall be given in the manner hereinafter mentioned to such persons (including the auditors) as are under these Articles or under the 2006 Act entitled to receive such notices from the Company, such written notice to specify the place, the day and the hour of meeting and, in the case of special business, the general nature of that business.
- 15 The accidental omission to give notice of a general meeting to, or the non-receipt of such notice by, any person entitled to receive notice hereof shall not invalidate any resolution passed, or proceedings, at any general meeting.
- 16 Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address subject to any conditions or limitations specified in the relevant notice of meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 17 All business shall be deemed special business that is transacted at an annual general meeting with the exception of the consideration of the profit and loss account and balance sheet, the reports of the Board and of the auditors, the appointment of directors under Article 36.2 of these Articles and the appointment of, and the fixing of the remuneration of, the auditors under Article 77 of these Articles. The general nature of any special business to be considered by a general meeting shall be stated in the written notice of that general meeting pursuant to Article 14 above.
- 18 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided one Member present personally shall be a quorum. A Member shall be regarded as being present personally through the presence of his representative duly notified pursuant to Article 6.
- 19 If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of the Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Board may determine.
- 20 Where all the Members for the time being entitled to receive notice of and attend and vote at general meetings have been sent notice of a resolution together with a statement prepared by the Secretary indicating the arguments which have been expressed in favour of and against the resolution, that resolution in writing signed by:
 - 20.1 In the case of an ordinary resolution, a simple majority; and
 - 20.2 In the case of a special resolution, 75%,

of all the Members for the time being entitled to receive notice of and attend and vote at general meetings shall be as valid and effectual as if it had been passed at a meeting of Members duly convened and held and may consist of several documents in the like form (including facsimile

transmission) each signed by one or more Members. For the purposes of section 297 of the 2006 Act, a proposed written resolution lapses if it is not passed before the end of the period of 14 days beginning with the circulation date.

- 21 The chairman, if any, of the Board or in his or her absence some other Board Member shall preside as chairman of the meeting, but if neither the chairman nor such other Board Member (if any) be present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
- 22 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.
- 23 Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjournment meeting.
- 24 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chairman or by at least one Member present in person or by proxy, and unless a poll be so demanded a declaration by the chairman of a meeting that a resolution has been carried, or carried unanimously or by particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn. For the avoidance of doubt an ordinary resolution shall be passed by a simple majority of the Members entitled to vote who do vote in person or by proxy and a special resolution shall be passed by 75% of the Members entitled to vote who do vote in person or by proxy.
- 25 Subject to the provisions of Article 26 of these Articles, if a poll be demanded in any manner aforesaid, it shall be taken at such time and place, and in such manner, as the chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 26 No poll shall be demanded on the election of a chairman of a meeting, or on any question of adjournment.
- 27 In the case of an equality of votes, whether on a show of hands or on a poll, the resolution shall be deemed not to have been passed. The chairman shall not have a second or casting vote.
- 28 The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

- 29 Subject as hereinafter provided, each Member shall have one vote.
- 30 Save as herein expressly provided, no Member other than a Member duly registered shall be entitled to vote on any question either personally or by proxy, or as a proxy for another Member, at any general meeting.
- 31 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 32 Votes may be given either personally or by proxy. A vote is given personally where it is given by a Member or a Member's representative duly notified pursuant to Article 6.
- 33 The instrument appointing a proxy for a Member:
- 33.1 which is in hard copy form, must be deposited at such address as may be specified in the notice convening the meeting or if no such address is specified, at the Office;
- 33.2 which is in electronic form, must be received at the electronic address specified in the notice convening the meeting or in any appointment of proxy or invitation to appoint a proxy sent out or made available by the Company in relation to the meeting,
- not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- A proxy instrument in default of this Article shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
- 34 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 35 An instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

"Zero Waste Scotland Limited (the "Company")

We , of a Member of the Company hereby appoint

as our proxy to vote for us on our behalf at the annual/extraordinary general meeting of the Company to be held on _____ and at any adjournment thereof.

Signed by a duly authorised signatory of _____)

)

Dated: _____)

Signed by a duly authorised signatory of _____)

)

Dated: _____)

This form is to be used in favour of/against the resolution/unless otherwise instructed the proxy will vote as he or she thinks fit.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

THE BOARD OF DIRECTORS OF THE COMPANY

- 36 The Board of Zero Waste Scotland shall be constituted as follows:
- 36.1 (while the Scottish Ministers are a member of the Company) one director appointed by the Scottish Ministers in accordance with Article 39; and
- 36.2 a minimum of two further directors appointed either by the Board or by an ordinary resolution of the Members.
- 37 In the event that the Scottish Ministers do not exercise their right to appoint a director pursuant to Article 36.1, they shall be entitled to appoint one person to act as an observer at meetings of directors and meetings of any committee of the directors. The observer shall be entitled to receive notice of, and attend and speak at, all meetings of directors and meetings of any committee of the directors and to receive copies of all board papers as if he were a director, but shall not be entitled to vote on any resolutions proposed.
- 38 A person may not become a director unless he or she has attained the age of 18 years. There shall be no limit as to the age at which a person having become a director may continue so to act.
- 39 The appointment of directors pursuant to Article 36.1 shall, in each case, be made by notice in writing to the Board.
- 40 The Members may by ordinary resolution appoint a person who is willing to act as a director to fill a vacancy under Article 36.2. 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 by a decision of the directors to fill a vacancy under Article 36.2.

- 41 At each annual general meeting any director then in office, other than a director appointed pursuant to Article 36.1, who:
- 41.1 has been appointed by the Board since the previous annual general meeting; or
- 41.2 at the date of the notice convening the annual general meeting had held office for more than 30 months since he was appointed or last re-appointed by the Company in general meeting,
- shall retire from office but shall be eligible for re-appointment.
- 42 A retiring director shall (unless he is removed from office or his office is vacated in accordance with these Articles) retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.
- 43 If the Company, at any meeting at which a director retires in accordance with these Articles, does not fill the office vacated by such director, the retiring director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.
- 44 No person other than a director retiring by rotation shall be appointed or re-appointed a director under Article 36.2 at any general meeting unless not less than fourteen clear days before the date appointed for the meeting, notice executed by a Member has been given to the Company of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors, and a notice executed by that person of his willingness to be appointed or re-appointed.
- 45 Any director appointed under Article 36.1 may be removed from office by his or her appointers by notice in writing to the Company before the expiration of his or her period of office notwithstanding anything in these Articles or in any agreement between the Company and such director and the appointers shall be entitled to appoint any person in his or her stead. Any director appointed under Article 36.2 may resign his or her directorship by giving notice in writing addressed to the Board.
- 46 The Board may appoint one or more directors to hold any executive office in the Company (including that of executive chairman, chief executive or managing director) for such period (subject to the Companies Acts) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract between the director and the Company.

- 47 The remuneration of a director appointed to any executive office shall be fixed by the Board and may be by way of salary, commission or otherwise and either in addition to or inclusive of his remuneration as a director.
- 48 A director appointed as executive chairman, chief executive or managing director shall automatically cease to hold that office if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

POWERS OF THE BOARD

- 49 The business of the Company shall be managed by the Board who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Companies Acts or by the Articles required to be exercised or done by the Company in general meeting, subject nevertheless to any such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- 50 The Board Members for the time being may act notwithstanding any vacancy in their body; provided always that in case the Board Members shall at any time be or be reduced in number to less than the quorum prescribed under Article 53 of these Articles, it shall be lawful for them to act as the Board for the purpose of summoning a general meeting, but not for any other purpose.

PROCEEDINGS OF THE BOARD

- 51 The Board shall meet together at least four times a year (and more frequently as they may from time to time think fit) for the dispatch of business, and may adjourn and otherwise regulate their meetings as they think fit.
- 52 A Board member shall be treated as present at a meeting of the Board notwithstanding that he or she is not physically present if he or she is in communication with the meeting by voice or video telecommunication link and, for the purpose of these Articles, meetings of the Board shall include meetings held by voice or video telecommunication link provided that the voice or video telecommunication link is so arranged that it is possible for each Board Member to hear and be heard by, or in the case of video telecommunication link, see and be seen by each other person participating in the meeting and the terms "meeting" and "meet" shall be construed accordingly.
- 53 A quorum shall be three Directors. A Board Member who is in communication by voice or video telecommunication link for the purposes of a meeting of the Board pursuant to Article 52 of these Articles, shall be counted as part of the quorum for such meeting, provided that the voice or video telecommunication link is so arranged that it is possible for each Board Member to hear and be heard by, or in the case of video telecommunication link, see and be seen by each other person participating in the meeting. Questions arising at any meeting shall be decided by a majority of

votes, each Board Member present having one vote. In case of an equality of votes the chairman shall not have a second or casting vote and the resolution shall not be passed. The meeting is deemed to take place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

- 54 Any two Board Members may, at any time, summon a meeting of the Board by notice served upon the Board Members. A Board Member who is absent from the United Kingdom shall only be entitled to notice of a meeting if he or she has provided the Company with an address for service.
- 55 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles vested in the Board generally.
- 56 The directors may appoint a director to chair their meetings and act as chairman of the Board for such period and on such terms as they think fit. The person so appointed for the time being is known as the chairman. If the chairman is not able to participate in a director's meeting, the participating directors shall appoint one of themselves to chair it.
- 57 All acts bona fide done by any meeting of the Board or by any person acting as a Board Member shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Board Member.
- 58 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Board, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chairman of such meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- 59 A resolution in writing signed by all the Board Members for the time being who are entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted. Any such resolution may consist of several documents in the like form (including facsimile transmission) and signed by one or more of the Board Members for the time being entitled to receive notice of a meeting of the Board.
- 60 Subject to these Articles and the Companies Acts, 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.

DELEGATION OF THE FUNCTIONS OF THE BOARD

- 61 The Board may delegate any of its powers, authorities and discretions to committees (with power to sub-delegate) other than the matters specified in Article 62. Such committees shall consist of such persons as the Board thinks fit so long as one or more of such persons is a Board Member, and any committee so formed shall, in exercise of the powers, authorities and discretions so delegated, conform to all regulations imposed upon it by the Board. The meetings and proceedings

of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board. The acts and proceedings of such committees shall be reported fully to the Board.

- 62 The Board shall not delegate any of the following matters to a committee:
- 62.1 the approval of the annual estimates of income and expenditure;
 - 62.2 ensuring the solvency of the Company and the safeguarding of its assets;
 - 62.3 the determination of the criteria for membership of the Company.

DISQUALIFICATION OF DIRECTORS

- 63 The office of a director shall be vacated if:
- 63.1 a notice removing him or her from office is served in accordance with the provisions of Article 45 of these Articles;
 - 63.2 by notice in writing to the Company he or she resigns his or her office in accordance with Articles 41 or 45 of these Articles;
 - 63.3 he or she becomes sequestrated, bankrupt or makes any arrangement or composition with his or her creditors generally;
 - 63.4 he or she becomes of unsound mind;
 - 63.5 he or she ceases to hold office by virtue of any provision of the Companies Acts or he or she becomes prohibited by law from being a director of the Company;
 - 63.6 he or she has acted so as to bring the Company into disrepute and/or in a manner in a manner inconsistent with the objects of the Company or which indicates that he or she is not committed to the objects of the Company.

REMUNERATION AND EXPENSES OF DIRECTORS

- 64 The other provisions of these Articles as to the remuneration of and reimbursement of expenses of Board Members shall apply, except that any director appointed pursuant to Article 36.1, shall not be entitled to receive any remuneration from the Company.

DIRECTORS' CONFLICTS OF INTEREST

- 65 For the purpose of section 175 of the 2006 Act the Board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in

which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company.

- 65.1 Any such authorisation will be effective only if:
 - 65.1.1 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
 - 65.1.2 the matter was agreed to without the interested director voting or would have been agreed to if the interested director's vote had not been counted.
- 65.2 The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted.
- 65.3 The Board may vary or terminate any such authorisation at any time.
- 65.4 For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 66 Subject to the Companies Acts, provided that he has disclosed to the Board the nature and extent of his interest, a director notwithstanding his office:
 - 66.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 66.2 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - 66.3 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.
- 67 A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:
 - 67.1 the acceptance, entry into or existence of which has been approved by the Board pursuant to Article 65 (subject, in any such case, to any limits or conditions to which such approval was subject); or
 - 67.2 which he is permitted to hold or enter into by virtue of Article 66 above, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act.

- 68 Any disclosure required by Article 66 may be made at a meeting of the Board, by notice in writing or by general notice or otherwise in accordance with section 177 2006 Act.
- 69 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the Board pursuant to Article 65. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he fails:
- 69.1 to disclose any such information to the Board or to any director or other officer or employee of the Company; and/or
- 69.2 to use or apply any such information in performing his duties as a director of the Company.
- 70 Where the existence of a director's relationship with another person has been approved by the Board pursuant to Article 65 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he:
- 70.1 absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- 70.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser;
- for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.
- 71 The provisions of Articles 69 and 70 are without prejudice to any equitable principle or rule of law which may excuse the director from:
- 71.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
- 71.2 attending meetings or discussions or receiving documents and information as referred to in Article 70, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

SECRETARY

- 72 The Board shall appoint the Secretary for such term, at such remuneration and upon such conditions as the Board shall think fit and any Secretary so appointed may be removed by the Board. The provisions of sections 274 and 280 of the 2006 Act shall apply.

ACCOUNTS

- 73 The Board shall cause accounting records to be kept in accordance with the requirements of the Companies Acts.
- 74 The accounting records shall be kept at the Office, or subject to the provisions of the Companies Acts, at such other place or places as the Board shall think fit, and shall be open to the inspection of the Members of the Company, of any organisation approved by the Board for so long as it is so approved, of the officers of the Company and of the auditors of the Company.
- 75 At the annual general meeting in each year the Board shall lay before the Company a profit and loss account for the period since the last preceding accounting reference date together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Board and the auditors, and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same in accordance with sections 434 to 436 (inclusive) of the 2006 Act shall, not less than fourteen clear days before the date of the meeting at which they are to be laid, be delivered or sent by post to the auditors and to all other persons entitled to receive notices of general meetings in the manner in which notices are hereinafter directed to be served. The report of the Board and the auditors' report shall be laid before the Company in general meeting.

AUDIT

- 76 In accordance with the provisions of the Companies Acts once at least in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more properly qualified auditor or auditors.
- 77 At each annual general meeting of the Company, unless the Board resolves otherwise, a resolution proposing the re-appointment of the auditors shall be submitted to the Members.
- 78 Subject to Article 77, the auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Acts.

NOTICES

- 79 A notice may be served by the Company upon any Member, either personally or by sending it through the post in a prepaid letter, addressed to such Member at his or her registered address as

appearing in the register of Members; PROVIDED THAT service may be effected by such other methods as have been notified by a Member in writing to the Secretary as being acceptable methods of service, such methods to include but not be limited to facsimile and electronic communication.

- 80 Any Member described in the register of Members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom or a facsimile number or electronic address at which notices may be served upon him, her or it, shall be entitled to have notices served upon him, her or it at such address or number, but, save as aforesaid and as provided by the Companies Acts, only those Members who are described in the register of Members by an address within the United Kingdom shall be entitled to receive notices from the Company. Nothing in this Article shall be construed as preventing the Company from serving notice on a Member at an address outside the United Kingdom if requested to do so by that Member.
- 81 Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid first class letter. Any notice, if served by facsimile or electronic communication or such other method of service as shall have been specified by a Member as acceptable, shall be deemed to have been served one hour after receipt by the dispatcher of a notice or message confirming successful transmission, and in proving such service it shall be sufficient to prove that the notice was directed to the proper number or address and that transmission to that number or address was confirmed to the dispatcher as having been successful.
- 82 Any notice, document or other communication that has been made available on a website shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with Article 81 or, if later, the date on which it is first made available on the website.
- 83 Any notice in writing, document or other communication not sent by post but left at a registered address or address at which a notice, document or other communication may be given shall be deemed to have been given on the day it was so left.
- 84 Notices shall be in the following form:
- 84.1 Except where otherwise expressly stated, any notice to be given to or by any person under these Articles shall be in writing or, to the extent permitted by the Companies Acts and subject to Article 84.2, contained in an electronic communication.
- 84.2 The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as it thinks fit for verifying the authenticity or

integrity of any such electronic communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.

85 Subject to the Companies Acts, a notice, document or other communication may be given by the Company to any Member by electronic means to such address as may from time to time be authorised by the Member concerned or by publishing it on a web site where:

85.1 the Company and that Member have agreed to the use of electronic communication for sending copies of documents to the Member and:

85.1.1 the documents are documents to which the agreement applies; and

85.1.2 copies of the documents are sent using electronic communication to such address (or to one of such addresses if more than one) as may for the time being be notified by the Member to the Company for that purpose; or

85.1.3 the Company and that Member have agreed to that Member having access to documents on a website (instead of documents being sent to him); and:

85.1.3.1 the Member has agreed (generally or specifically) that the notice, document or other communication may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the Member has been asked by the Company to agree that the Company may send or supply notices, documents and other communications generally, or the notice, document or other communication in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the Member is therefore taken to have so agreed (and has not revoked that agreement);

85.1.3.2 the Member is sent a notification of the presence of the notice, document or communication on a website, the address of that website, the place on that website where it may be assessed, and how it may be accessed ("notification of availability");

85.1.3.3 in the case of a notice of meeting, the notification of availability states that it concerns a notice of a Company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting; and

85.1.3.4 the notice, document or communication continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the

period specified by any applicable provision of the Companies Acts, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the Member, save that if the notice, document or communication is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

- 85.2 A Member of the Company which is itself a Company shall be deemed to have agreed that the Company may send a notice or other document in accordance with Article 85.1.1 above if the Member is deemed by a provision in the Companies Acts to have agreed that the notice or document may be so sent.
- 86 For the purposes of giving notices of meetings, documents or other communications, whether under the Companies Acts, a provision in these Articles or any other instrument, the Company may determine that persons entitled to receive such notices, documents or other communications are those persons entered on the register at the close of business on a day determined by it.

INDEMNITY

- 87 Subject to the Companies Acts, every person who is or was a director or other officer (excluding an auditor) of the Company or any associated company, directly or indirectly, shall be indemnified out of the assets of the Company against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office but:
- 87.1 this indemnity shall not apply to any liability to the extent that it is recovered from any other person; and
- 87.2 the indemnity is subject to such officer taking all reasonable steps to effect such recovery, to the intent that the indemnity shall not apply where an alternative right of recovery is available and capable of being enforced.
- 88 Subject to the Companies Acts, the Company may at the discretion of the Board provide every director or other officer (excluding an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him (or to enable such director or officer to avoid incurring such expenditure) in defending any civil or criminal proceedings, any regulatory actions or investigations or in connection with any application under the provisions referred to in section 205(5) of the 2006 Act.

DISSOLUTION

- 89 If upon the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among

the Members of the Company, but shall be transferred to some other institution (whether or not a Member of the Company) having objects similar to the objects of the Company, such institution or institutions to be determined by the Members of the Company at or before the time of dissolution.