

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ORCA LGS SOLUTIONS LTD



(ADOPTED BY SPECIAL RESOLUTION PASSED ON 27 NOVEMBER 2020)

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. EXCLUSION OF OTHER REGULATIONS

No regulations or model articles contained in any statute or subordinate legislation, including those contained in the Model Articles, apply to the company.

2. DEFINED TERMS

2.1 In the articles, unless the context requires otherwise:

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 13.2;

“chairman of the meeting” has the meaning given in article 48.3;

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

“controlling shareholder” means a registered holder for the time being of not less than 75% in nominal value of the equity share capital of the Company from time to time;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 38.2;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

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

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

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

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form;

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the adoption of these articles;

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

"ordinary shares" means ordinary shares of £1 each in the capital of the Company;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in article 11.1;

"proxy notice" has the meaning given in article 54.1;

"Redeemable Shares" means the redeemable preference shares of £1 each in the capital of the Company;

"shareholder" means a person who is the holder of a share;

"shares" means shares in the company including, without limitation, the ordinary shares and the Redeemable Shares;

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

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

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

3. LIABILITY OF MEMBERS

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. 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.

5. SHAREHOLDERS' RESERVE POWER

5.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

5.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

5.3 No alteration of the articles invalidates anything which the directors have done before the alteration was made.

6. DIRECTORS MAY DELEGATE

6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

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

as they think fit.

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

6.3 Where a provision in the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.

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

7. COMMITTEES

7.1 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.

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

DECISION-MAKING BY DIRECTORS

8. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 8.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with this article 8.

- 8.2 If:

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

the general rule does not apply, and the director (for so long as he remains the sole director) may take decisions without regard to any of the provisions of the articles relating to directors' decision-making. For the purpose of article 12, the quorum for the transaction of business by a sole director is one, and all other provisions of the articles apply with any necessary modification (unless a provision expressly provides otherwise).

- 8.3 If only one director is eligible to vote on any authorisation required under article 17, the general rule does not apply, and the eligible director may take decisions in relation to the relevant matter without regard to any of the provisions of the articles relating to directors' decision-making.

9. UNANIMOUS DECISIONS

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

- 9.2 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.

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

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

10. CALLING A DIRECTORS' MEETING

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

- 10.2 Notice of any directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and

- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

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

10.4 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.

11. PARTICIPATION IN DIRECTORS' MEETINGS

11.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

11.3 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.

12. QUORUM FOR DIRECTORS' MEETINGS

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

12.2 Subject always to articles 8.2 and 8.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

12.3 Subject always to article 8.2, if the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:

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

13. CHAIRING OF DIRECTORS' MEETINGS

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

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

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

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

14. CASTING VOTE

- 14.1 If the numbers of votes for and against a proposal are equal (ignoring any votes which are to be discounted in accordance with the articles or the Companies Acts), the chairman or other director chairing the meeting has a casting vote.
- 14.2 Article 14.1 does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

15. RESOLUTION IN WRITING

A resolution in writing signed by all the directors who are at the relevant time entitled to receive notice of a meeting of the directors (if that number is sufficient to constitute a quorum) shall be as valid and effectual as a resolution passed at a meeting of the directors properly called and constituted. The resolution may be contained in one document or several documents in like form each signed by one or more of the directors concerned.

16. TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

Provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Acts, a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any contract with the company or in which the company is otherwise interested (including a guarantee);
- (b) may subscribe for shares or other securities, or enter into an agreement to subscribe for shares or other securities in the company or any of its subsidiaries;
- (c) may be party to arrangements pursuant to which benefits are made available to employees and directors of the company or any of its subsidiaries, which do not provide special benefits for directors; and
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor).

17. CONFLICTS OF INTEREST

- 17.1 The directors may, subject to the quorum and voting requirements set out in the articles, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest ("**Conflict**").
- 17.2 Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed on and decided upon by the directors under the provisions of the articles save that the relevant director shall not count towards the quorum nor vote on any resolution giving such authority and save further that if there are insufficient directors eligible to vote and therefore to form a quorum, article 8.3 will apply.
- 17.3 Where the directors give authority in relation to a Conflict:

- (a) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
 - (b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation or variation in accordance with the terms of such authority.
- 17.4 Where the directors give authority in relation to a Conflict or where any of the situations referred to in article 16 ("**Permitted Situation**") applies:
- (a) the directors may (whether at the relevant time or subsequently) (i) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict or Permitted Situation; and (ii) impose upon the relevant director such other terms for the purposes of dealing with the Conflict as it may determine;
 - (b) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Permitted Situation; and
 - (c) the directors may provide that where the relevant director obtains (other than through his position as a director of the company) information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use or apply the information in relation to the company's affairs, where to do so would amount to a breach of that confidence.
- 17.5 A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the company or the members for any remuneration, profit or other benefit realized by reason of his having any type of interest in a Conflict authorised under this article or in any Permitted Situation and no contract shall be liable to be avoided on the grounds of a director having any such interest.
- 18. DIRECTORS MAY VOTE WHEN INTERESTED**
- 18.1 Subject where applicable to disclosure in accordance with the Companies Acts or the articles and subject to any terms imposed by the directors in relation to any Conflict or Permitted Situation, a director shall be entitled to vote in respect of any matter in which he is interested directly or indirectly and if he shall do so his vote shall be counted and, whether or not he does, his presence at the meeting shall be taken into account in ascertaining whether a quorum is present.
- 18.2 Subject to article 18.3, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in a meeting (or part of a meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman (if any) whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 18.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman (if any), the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

19. RECORDS OF DECISIONS TO BE KEPT

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.

20. 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.

21. CHANGE OF NAME

The company may change its name by a decision of the directors; or by a special resolution of the shareholders, or otherwise in accordance with the Act.

APPOINTMENT OF DIRECTORS

22. METHODS OF APPOINTING DIRECTORS

22.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a) by ordinary resolution; or
- (b) by a decision of the directors.

22.2 In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

22.3 For the purposes of article 22.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

23. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) 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; or

- (f) that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the other directors resolve that that person should cease to be a director.

24. DIRECTORS' REMUNERATION

- 24.1 Directors may undertake any services for the company that the directors decide.
- 24.2 Directors are entitled to such remuneration as the directors determine:
 - (a) for their services to the company as directors, and
 - (b) for any other service which they undertake for the company.
- 24.3 Subject to the articles, a director's remuneration may take any form.
- 24.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 24.5 Directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.
- 24.6 The directors may provide benefits, whether by the payment of a pension, allowance or gratuities, or any death, sickness or disability benefits or by insurance or otherwise, for any director or former director who holds or has held any office or employment with the company or with any undertaking which is or has been a group company, and for any member of his family (including a spouse or former spouse) or any person who is or was dependent on him, and may (before as well as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

25. DIRECTORS' EXPENSES

- 25.1 The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
 - (a) meetings of directors or committees of directors;
 - (b) general meetings; or
 - (c) separate meetings of the holders of any class of shares or of debentures of the company,or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.
- 25.2 Subject to the Companies Acts, the directors shall have power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him for the purpose of the company or for the purpose of enabling him properly to perform his duties as an officer of the company or to avoid him incurring any such expenditure.

PART 3

SHARES AND DISTRIBUTIONS

SHARES

26. ALL SHARES TO BE FULLY PAID UP

- 26.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 26.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

27. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 27.1 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.
- 27.2 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.

28. SHARE RIGHTS

- 28.1 Except as set out in the remainder of this Article 28, or as otherwise set out expressly in these articles, the Redeemable Shares shall rank *pari passu* in all respects with the ordinary shares in the capital of the company, but shall constitute a separate class of shares.
- 28.2 Voting: The holders of the Redeemable Shares shall not have any right to receive notice of, attend, speak or vote (either on a show of hands or on a poll) at any general meeting of the company, nor to receive or vote on any proposed written resolution of the shareholders.
- 28.3 Income: The profits of the Company which are available for lawful distribution in respect of each accounting period shall be distributed amongst the holders (from time to time) of the ordinary shares pro rata according to the number of ordinary shares held by each of them. The Redeemable Shares shall confer no rights to income distributions.
- 28.4 Capital: On a return of capital on a liquidation, sale or otherwise (except on a redemption or purchase by the Company of any shares), the surplus assets of the Company remaining after the payment of all its liabilities and all payments to be made in priority shall be applied in the following order:
- (a) Firstly, in paying to the holders of the Redeemable Shares then in issue the amount paid up or credited as paid up (including any share premium that may be payable on each share) on each Redeemable Share held by them;
 - (b) Secondly, in paying to the holders of the Ordinary Shares the amount paid up or credited as paid up (including any share premium that may be payable on each share) on each Ordinary Share held by them; and

- (c) Thereafter, in paying to the holders of the Ordinary Shares the balance of any amount available for distribution.

28.5 **Redemption:** Subject to the Companies Act 2006 and to the Company holding sufficient distributable reserves, the Redeemable Shares may be redeemed in full or in part at any time by the Company giving notice of the redemption to the relevant holders of the Redeemable Shares (a "**Redemption Notice**"). Save as otherwise may be determined by the Board, the relevant Redeemable Shares shall be redeemed on the date falling 5 business days after the date of the Redemption Notice (the "**Redemption Date**"). On the Redemption Date, the Company shall pay the amount paid up or credited as paid up (including any share premium) on each of the Redeemable Shares, and the holders of the Redeemable Shares shall surrender to the Company their share certificate(s) as applicable.

29. VARIATION OF CLASS RIGHTS

29.1 The special rights attached to any class may be varied or abrogated, whilst the company is a going concern, or during or in contemplation of a winding up with the consent in writing of the holders of the issued shares of that class in accordance with article 29.2.

29.2 The consent of the holders of a class of shares may be given by:

- (a) a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or
- (b) a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class.

29.3 All the provisions of these articles relating to general meetings of the company shall apply (with such amendments as may be necessary to give such provisions efficacy) to every separate general meeting referred to in article 29.2(a).

30. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

31. PURCHASE OF OWN SHARES

Subject to the Companies Acts, but without prejudice to any other provision of these articles, the company may, in accordance with section 692(1ZA) of the Companies Act 2006, purchase its own shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Companies Act 2006, up to an aggregate purchase price in a financial year of the lower of:

- (a) £15,000; or
- (b) the nominal value of 5% of the company's fully paid share capital at the beginning of the relevant financial year.

32. ISSUE OF NEW SHARES

- 32.1 The directors shall not exercise any power of the Company to allot shares or other securities in, or to grant rights to subscribe for, or convert into, shares or other securities of, the Company without the prior written consent of the controlling shareholder. Without limitation, the powers of the directors under section 550 of the Act are limited accordingly.
- 32.2 The pre-emption provisions in sections 561 and 562 of the Companies Act 2006 shall not apply to any allotment of equity securities made by the company.

33. SHARE CERTIFICATES

- 33.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 33.2 Every certificate must specify:
- (a) in respect of how many shares, of what class, it is issued;
 - (b) the nominal value of those shares;
 - (c) that the shares are fully paid; and
 - (d) any distinguishing numbers assigned to them.
- 33.3 No certificate may be issued in respect of shares of more than one class.
- 33.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 33.5 Certificates must:
- (a) have affixed to them the company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.

34. REPLACEMENT SHARE CERTIFICATES

- 34.1 If a certificate issued in respect of a shareholder's shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 34.2 A shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

35. SHARE TRANSFERS

- 35.1 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.
- 35.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 35.3 The company may retain any instrument of transfer which is registered.
- 35.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 35.5 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.
- 35.6 The directors may, as a condition to the registration of any transfer of shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company in any form as the directors may reasonably require and if any condition is imposed in accordance with this article 35.6, the transfer may not be registered unless that deed has been executed and delivered to the Company by the transferee.

36. TRANSMISSION OF SHARES

- 36.1 If title to any shares passes to a transmittee (a "**Representative**"), the Representative shall, as soon as reasonably practicable (and in any event within 30 days of becoming entitled to the shares), notify the directors of their entitlement to the shares and produce to the directors such evidence of entitlement as they may reasonably require.
- 36.2 Upon such notification being given, the Representative shall be obliged to serve a notice offering such shares for sale to the company or, at the company's absolute discretion, to the other shareholders of the company (and such notice shall be deemed automatically to have been given if such a notice has not been served within 30 days of the Representative becoming entitled to the shares).
- 36.3 The shares shall be offered at their fair value (as determined by an independent accountant) and shall, to the extent that the shares are offered to the other shareholders, be offered pro rata to the shareholders' percentage shareholding and then, to the extent that any shares remain, by way of offer generally. The other shareholders shall have a period of six months from receipt of the notice to make payment in full to the Representative. To the extent that any shares remain after this period, the company may, at its discretion, purchase such shares or require that they be transferred to a third party, as notified to the Representative by the company, in either case for their fair value (unless otherwise agreed between the company and the Representative).
- 36.4 The shareholders shall give their written consent to and shall procure that the directors shall approve for registration any transfer of the shares made in accordance with article 36.3.
- 36.5 If any transmittee fails to comply with the provisions of this article 36, the Company shall be constituted the agent of any such defaulting transmittee for taking such actions as are necessary to achieve any transfer or repurchase of Shares required under this article 36. In

the event such appointment is utilised, any director may execute and deliver on behalf of such defaulting transmittee the necessary documents and the company may receive any purchase monies due to the defaulting transmittee on trust. The receipt of the company of any such purchase monies shall be a good discharge by any purchasing shareholder or third party.

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

DIVIDENDS AND OTHER DISTRIBUTIONS

37. PROCEDURE FOR DECLARING DIVIDENDS

- 37.1 This Article is subject to Article 28.
- 37.2 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 37.3 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.
- 37.4 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 37.5 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 37.6 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.
- 37.7 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.
- 37.8 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. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 38.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the

distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

38.2 In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee (but subject to article 34).

39. NO INTEREST ON DISTRIBUTIONS

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

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

40. UNCLAIMED DISTRIBUTIONS

40.1 All dividends or other sums which are:

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed:

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

40.3 If:

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

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

41. NON-CASH DISTRIBUTIONS

41.1 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).

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

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

42. WAIVER OF DISTRIBUTIONS

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

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

43. DISTRIBUTION IN SPECIE ON WINDING UP

If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by law, divide among the shareholders 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 shareholders or different classes of shareholders. 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 shareholders as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

CAPITALISATION OF PROFITS

44. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

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

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any of the company's reserves or funds, including but not

limited to the share premium account, capital redemption reserve, merger reserve or revaluation reserve; and

- (b) appropriate any sum which they so decide to capitalise (a “**capitalised sum**”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “persons entitled”) and in the same proportions.

44.2 Capitalised sums must be applied:

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

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:

- (a) apply capitalised sums in accordance with article 44.3 and 44.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

45. NOTICE OF GENERAL MEETINGS

Notice of every general meeting shall be given to all members other than any who, under the provisions of these articles or the terms of issue of shares they hold, are not entitled to receive such notices from the company.

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:

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

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

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

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

47. QUORUM FOR GENERAL MEETINGS

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

48. CHAIRING GENERAL MEETINGS

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

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

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

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

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

49. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

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

49.2 The chairman of the meeting may permit other persons who are not:

- (a) shareholders of the company; or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

50. ADJOURNMENT

- 50.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 50.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 50.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 50.4 When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 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):
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- 50.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

51. VOTING: GENERAL

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

52. ERRORS AND DISPUTES

- 52.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

53. POLL VOTES

53.1 A poll on a resolution may be demanded:

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

53.2 A poll may be demanded by:

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

A demand for a poll by a proxy counts, for the purposes of paragraph (c) above, as a demand by a member and, for the purposes of paragraph (d) above, as a demand by a member representing the voting rights that the proxy is authorised to exercise.

53.3 A demand for a poll may be withdrawn if:

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

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

54. CONTENT OF PROXY NOTICES

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

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

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

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

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

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

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 The directors may require the production of any evidence which they consider necessary to determine the validity of any proxy notice.

56. AMENDMENTS TO RESOLUTIONS

- 56.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
 - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 56.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
 - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 56.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

57. CLASS MEETINGS

The provisions of the articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of shares of a class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may,

in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

PART 5

ADMINISTRATIVE ARRANGEMENTS

58. MEANS OF COMMUNICATION TO BE USED

- 58.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 58.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 58.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

59. WHEN NOTICE OR OTHER COMMUNICATION DEEMED TO HAVE BEEN RECEIVED

Any notice, document or information sent or supplied by the company to the shareholders or any of them:

- (a) by post, shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
- (b) by being left at a shareholder's registered address, or such other postal address as notified by the shareholder to the company for the purpose of receiving company communications, shall be deemed to have been received on the day it was left;
- (c) by electronic means, shall be deemed to have been received at the time of transmission. Proof that a notice, document or information in electronic form was addressed to the electronic address provided by the shareholder for the purpose of receiving communications from the company shall be conclusive evidence that the notice, document or information was sent; and
- (d) by making it 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 on the date on which notification of availability on the website is deemed to have been received in accordance with this article or, if later, the date on which it is first made available on the website.

60. COMPANY SEALS

- 60.1 Any common seal may only be used by the authority of the directors.
- 60.2 The directors may decide by what means and in what form any common seal is to be used.

60.3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

60.4 For the purposes of this article, an authorised person is:

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

61. 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.

62. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

DIRECTORS' INDEMNITY AND INSURANCE

63. INDEMNITY

63.1 Subject to article 63.4, a relevant director of the company or an associated company may be indemnified out of the company's assets against:

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

63.2 The company may fund a relevant director's expenditure for the purposes permitted under the Companies Acts and may do anything to enable a relevant director to avoid incurring such expenditure as provided in the Companies Acts.

63.3 No relevant director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

63.4 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

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

65. DEFINITIONS

- (a) In articles 61 and 62:
- (b) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (c) a "relevant director" means any director or former director of the company or an associated company; and
- (d) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company.