

## **Oxford Direct Services Limited**

### **Articles of Association**

Company number: 10719222

Private company limited by shares

## Articles of Association

of

**Oxford Direct Services Limited**

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1 **Model Articles not to apply**

The model Articles of Association for Private Companies Limited by Shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these Articles shall not apply to the Company. References to **the Articles** shall be to the following Articles of Association as amended from time.

2 **Defined terms**

In the Articles, unless the context requires otherwise:

**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;

**Board** means the Board of Directors of the Company from time to time;

**Chairman** has the meaning given in Article 15;

**Chairman of the Meeting** has the meaning given in Article 46;

**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;

**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;

**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;

**Local Authority** means a local authority in England or Wales as defined in section 270 of the Local Government Act 1972;

**Ordinary Resolution** has the meaning given in section 282 of the Companies Act 2006;

**Paid** means paid or credited as paid;

**Participate**, in relation to a Directors' meeting, has the meaning given in Article 13;

**Proxy Notice** has the meaning given in Article 52;

**Shareholder** means the Holder of a share. Only a Local Authority may hold Shares;

**Shareholder Agreement** means the agreement entered into between the member and the Company to regulate its relationship as a member of the Company

**Shares** means Shares in the Company;

**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;

**Voting Representative** means the individual appointed by each Shareholder to attend, speak and vote at general meetings on its behalf; 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.

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 the member**

The liability of a member is limited to the amount, if any, unpaid on the Shares held by them.

### 4 **Objects clause**

The Company's objects are unrestricted.

### 5 **Shareholder**

- 5.1 The subscriber shall be the first Shareholder of the Company.
- 5.2 The Board may admit any other Local Authority to membership on receiving:
- 5.2.1 a written application; and
  - 5.2.2 a signed deed of adherence to the Shareholder Agreement or written confirmation of intention to sign such deed with fourteen days of admission to membership,
- from any such authority.
- 5.3 The rights powers and obligations of the Shareholder under these Articles shall take effect on its admission to membership.
- 5.4 The Shareholder shall nominate one or more persons to act as its Voting Representative in the manner provided in Section 323 of the Companies Act 2006. Such representative shall have the right on behalf of the Shareholder to attend meetings of the Company and vote thereat and to exercise all Shareholder rights on behalf of the member. The Shareholder may by written notice to the Company revoke the nomination of such representative and may nominate another representative in his place.

## 6 **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.

## 7 **Shareholder's reserve power**

- 7.1 The Shareholder may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- 7.2 No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

## 8 **Directors may delegate**

- 8.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
- 8.1.1 to such person or committee;
  - 8.1.2 by such means (including by power of attorney);
  - 8.1.3 to such an extent;
  - 8.1.4 in relation to such matters or territories; and
  - 8.1.5 on such terms and conditions;
- as they think fit.

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

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

## 9 **Committees**

9.1 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.

9.2 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.

## 10 **Directors to take decisions collectively**

Save as expressly provided in these Articles questions arising at a Board meeting shall be decided by a majority of votes and each Director present shall be entitled to one vote, save that no decision or resolution may be taken or made by the Board unless each Director present at the meeting who at the time of the vote is an employee of the Shareholder has voted in favour of the decision or resolution. Subject to the foregoing, in the case of an equality of votes at any Board meeting the Chair shall have a second or casting vote.

## 11 **Written resolutions of the Board**

A resolution in Writing signed by not less than simple majority of all the Directors entitled to receive notice of a meeting of the Board including sufficient Directors to satisfy the quorum requirements in Article 14 shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several Documents in the like form each signed by one or more Board members.

## 12 **Calling a Directors' meeting**

12.1 The Board shall hold at least four meetings a year. Meetings called under this Article shall be convened by the company secretary or the designated Director discharging the company secretary's functions on not less than five clear days' notice.

12.2 Any two Directors may, by notice in Writing given to the company secretary or to the designated Director discharging the company secretary's functions, requisition a meeting of the Board. In such circumstances it shall be the duty of the company secretary or the designated Director discharging the company secretary's functions to convene such a meeting as soon as is reasonably practicable.

12.3 Notice of any Directors' meeting must indicate:

12.3.1 its proposed date and time;

12.3.2 where it is to take place; and

12.3.3 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.

12.4 Notice of a Directors' meeting must be given to each Director in Writing.

### 13 **Participation in Directors' meetings**

13.1 Subject to the Articles, Directors Participate in a Directors' meeting, or part of a Directors' meeting, when:

13.1.1 the meeting has been called and takes place in accordance with the Articles, and

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

13.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

13.3 If all the Directors participating in a meeting are not in the same place, the meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the Meeting is.

### 14 **Quorum for Directors' meetings**

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

14.2 The quorum for the transaction of business of the Directors shall be two.

14.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to request that the Shareholder appoints such number of further Directors as are required to make up the Board under Articles 20 and 21.

### 15 **Chairing of Directors' meetings**

15.1 The Board shall appoint a Director to chair the Directors' meetings.

15.2 The person so appointed for the time being is known as the Chairman.

15.3 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.

### 16 **Casting vote**

16.1 Subject to the provisions of Article 10 above, if the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote.

16.2 But this does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

17 **Conflicts of interest**

- 17.1 Any Director having an interest in any arrangement between the Company and another person or body shall before the matter is discussed by the Board or any committee of which they are a member disclose that interest to the meeting save that an interest arising because a Director is a Director or other officer of a company or body which is a Shareholder need not be disclosed.
- 17.2 Unless the interest is of the type specified in Articles 17.3 or 17.4 the Director concerned shall not remain present during the discussion of that item unless requested to do so by the remaining members of the Board or committee of the Board. Unless permitted by Articles 17.3 or 17.4 the Director concerned may not vote on the matter in question but no decision of the Board or any committee of the Board shall be invalidated by the subsequent discovery of an interest which should have been declared.
- 17.3 A Director may remain present during the discussion and may vote on the matter under discussion where the interest arises only by virtue of the fact that:
- 17.3.1 the Director is a director or other officer of a company or body which is a Subsidiary undertaking of the Company as such term is defined in Section 1162 of the 2006 Act; or
- 17.3.2 the Director is a director or other officer of a company or body which is a Shareholder of the Company.
- 17.4 A Director shall not be treated as having an interest:
- 17.4.1 of which the Director has no knowledge and of which it is unreasonable to expect him to have knowledge;
- 17.4.2 in the establishment of a policy in respect of Director expenses.
- 17.5 For the purposes of section 175 of the Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach by a Director of the duty to avoid conflicts of interest set out in that section of the Act. Any reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 17.6 Authorisation of a matter under Article 17.5 shall be effective only if:
- 17.6.1 the matter in question shall have been proposed in Writing for consideration by the Directors, or in such other manner as the Directors may determine;
- 17.6.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Directors (together the **interested Directors**); and
- 17.6.3 the matter was agreed to without the interested Directors voting or would have been agreed to if the votes of the interested Directors had not been counted.
- 17.7 Unless otherwise determined by the Directors (excluding the interested Directors), any authorisation of a matter under Article 17.5 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.

- 17.8 Any authorisation of a matter under Article 17.5 shall be on such terms and/or conditions as the Directors (excluding the interested Directors) may determine, whether at the time such authorisation is given or subsequently and may be varied or terminated by the Directors (excluding the interested Directors) at any time. Such terms or conditions may include (without limitation) terms and conditions as to the duration, renewal and/or revocation of the authorisation, and/or the exclusion of the interested Directors from all information and discussion of the matter in question. A Director shall comply with any obligations imposed on him by the Directors (excluding the interested Directors) pursuant to any such authorisation.
- 17.9 If a Director receives or has received any information otherwise than by virtue of his position as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 17.9.1 disclose any such information to the Company, the Directors or any other Director or employee of the Company; or
  - 17.9.2 use or apply any such information in connection with the performance of his duties as a Director;
  - 17.9.3 provided that to the extent that such duty of confidentiality arises out of a situation or relationship which would or might otherwise constitute or give rise to a breach by the Director of the duty to avoid conflicts of interest set out in section 175 of the Act, this Article shall apply only if such situation or relationship has been authorised by the Directors under Article 17.5.
- 17.10 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under Article 17.5 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 17.11 All acts done by the Board or by a committee of the Board or by a person acting as a Director shall notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any Director was disqualified from holding office or had vacated office or was not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 17.12 If a question arises at a meeting of the Board as to the right of a Director to vote, the question may before the conclusion of the meeting be referred to the Chairman or in his absence the chair of the meeting and his ruling shall be final and conclusive.
- 18 **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.
- 19 **Directors' discretion to make further rules and meetings with other Shareholder-owned companies**



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

19.2 In the event that the Board so agrees (in accordance with the provisions of Clause 10 above), the Board may meet jointly with the board of any other company owned by the Shareholder, and any unanimous decision taken by such joint board meeting will be deemed to be a decision of the Board.

## 20 **The Board**

Unless otherwise determined by ordinary resolution, the number of Directors is not subject to any maximum and the minimum number is two.

## 21 **Appointment and Removal of Directors**

21.1 The Shareholder shall appoint three Directors.

21.2 The Shareholder shall have the power to remove from office any Directors and replace them with further Directors.

21.3 Every such appointment or removal shall be effected by notice in Writing to the Company and shall take effect immediately (or on such later date, if any, specified in the notice). Any such notice of appointment or removal may consist of several Documents in similar form, each signed by or on behalf of one or more Holders.

## 22 **Termination of Director's appointment**

22.1 A person shall be ineligible for appointment to the Board and if already appointed ceases to be a Director as soon as:

22.1.1 he ceases to be a Director by virtue of any provision of the Companies Acts or becomes prohibited by law from being a company Director; or

22.1.2 he is or becomes bankrupt or makes any arrangement or composition with his creditors generally; or

22.1.3 a registered medical practitioner who is treating the Director 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; or

22.1.4 by reason of a Director's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

22.1.5 he resigns his office by written notice to the Company; or

22.1.6 he is removed from office by the Shareholder that appointed him by giving notice signed by the relevant Shareholder to the company secretary; or

22.1.7 he is removed from office by a resolution of or written notice signed by not less than three quarters of all the other Shareholders from time to time; or

- 22.1.8 he has been absent without permission of the Board from three consecutive meetings of the Board (including meetings of any committee of which that Director is a member) and the Board resolves that his office be vacated; or
- 22.1.9 he is an employee of the Company or of a member of the Company, or of a Subsidiary or associate of the company or of a Shareholder, and at any time ceases to be so employed; or
- 22.1.10 that person is or becomes a person disqualified from elected membership of a Local Authority.

## 23 **Directors' remuneration**

Directors may undertake any services for the Company that the Directors decide **provided that** the Directors shall not be remunerated for discharging their duties as Directors and no sum shall be Paid to a Director who is an elected member of the Shareholder. This clause shall exclude non-executive Directors.

## 24 **Directors' expenses**

24.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- 24.1.1 meetings of Directors or committees of Directors;
- 24.1.2 general meetings; or
- 24.1.3 separate meetings of the Holders of any class of Shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company **provided that** no sum shall be Paid to a Director who is an elected member of the Shareholder .

## 25 **Company secretary**

The Directors may appoint a company secretary for such term, at such remuneration and upon such conditions as they think fit. Any company secretary may be removed or replaced by the Directors.

## 26 **Nil or partly Paid Shares permitted**

If the Company at any time has nil or partly Paid Shares in issue, Articles 52 to 62 (inclusive) of the model Articles of Association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these Articles, shall apply to the Company and form part of these Articles as if the text of such provisions was set out in full in these Articles.

## 27 **Allotment of Shares**

27.1 Save as authorised from time to time by an Ordinary Resolution of the Shareholder(s) and in accordance with any Shareholder Agreement, the Directors shall not exercise any

power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company.

27.2 Sections 561 and 562 of the Companies Act 2006 shall not apply to any allotment of equity securities (as defined in section 560 of the Companies Act 2006) by the Company.

## 28 **Powers to issue different classes of Shares**

28.1 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.

28.2 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.

## 29 **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.

## 30 **Share certificates**

30.1 The Company must issue the Shareholder, free of charge, with a certificate in respect of the Shares which the Shareholder holds.

30.2 Every certificate must specify:

30.2.1 in respect of how many Shares, of what class, it is issued;

30.2.2 the nominal value of those Shares;

30.2.3 the amount Paid up on the Shares to which it relates; and

30.2.4 any distinguishing numbers assigned to them.

30.3 No certificate may be issued in respect of Shares of more than one class.

30.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

30.5 Certificates must:

30.5.1 have affixed to them the Company's common seal, or

30.5.2 be otherwise executed in accordance with the Companies Acts.

## 31 **Replacement share certificates**

31.1 If a certificate issued in respect of the Shareholder's Shares is:

31.1.1 damaged or defaced; or

31.1.2 said to be lost, stolen or destroyed,

the Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

31.2 The Shareholder exercising the right to be issued with such a replacement certificate:

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

31.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

31.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

## 32 **Share transfers**

32.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

32.2 The Shareholder shall not transfer any Share except in accordance with the terms of any Shareholder Agreement (or similar Document) in force between the Shareholder and the Company, or if applicable, with the prior written consent of all of the other Shareholders.

32.3 Subject to Article 32.2, the Directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of Shares which has not been made in compliance with these Articles.

32.4 The Directors may, as a condition to the registration of any transfer of Shares in the Company require the transferee to execute and deliver to the Company a deed of adherence under which the transferee agrees to be bound by the terms of any Shareholder Agreement (or similar Document) in force between the Shareholder and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the Shareholder holding Shares of the same class under any such agreement or other Document). If any such condition is imposed in accordance with this Article 32.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

## 33 **Transmission of Shares**

33.1 If title to a Share passes to a Transmtee, the Company may only recognise the Transmtee as having any title to that Share.

33.2 A Transmtee who produces such evidence of entitlement to Shares as the Directors may properly require:

33.2.1 may, subject to the Articles, choose either to become the Holder of those Shares or to have them transferred to another person; and

33.2.2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the Holder had.

33.3 But Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless they become the Holders of those Shares.

#### 34 **Exercise of Transmittees' rights**

34.1 Transmittees who wish to become the Holders of Shares to which they have become entitled must notify the Company in Writing of that wish.

34.2 If the Transmitttee wishes to have a share transferred to another person, the Transmitttee must execute an Instrument of transfer in respect of it.

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

#### 35 **Transmittees bound by prior notices**

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

#### 36 **Procedure for declaring dividends**

36.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.

36.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

36.3 No dividend may be declared or Paid unless it is in accordance with the Shareholder's respective rights.

36.4 Unless the Shareholder's resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be Paid by reference to the Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.

36.5 If the Company's Share capital is divided into different classes, no interim dividend may be Paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

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

36.7 If the Directors act in good faith, they do not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

37        **Calculation of dividends**

37.1        Except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be:

37.1.1        declared and Paid according to the amounts Paid up on the Shares on which the dividend is Paid; and

37.1.2        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.

37.2        If any Share is issued on terms providing that it ranks for dividend as from a particular date that Share ranks for dividend accordingly. For the purposes of calculating dividends, no account is to be taken of any amount which has been Paid up on a share in advance of the due date for payment of that amount.

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:

38.1.1        transfer to a bank or building society account specified by the Distribution Recipient either in Writing or as the Directors may otherwise decide;

38.1.2        sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the distribution recipient's registered address (if the Distribution Recipient is a Holder of the share), or (in any other case) to an address specified by the Distribution Recipient either in Writing or as the Directors may otherwise decide;

38.1.3        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

38.1.4        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 these Articles, the **Distribution Recipient** means, in respect of a Share in respect of which a dividend or other sum is payable:

38.2.1        the Holder of the Share; or

38.2.2        if the Share has two or more joint Holders, whichever of them is named first in the register of members; or

38.2.3        if the Holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmittree.

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:

- 39.1.1 the terms on which the share was issued, or
- 39.1.2 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:

- 40.1.1 payable in respect of Shares; and
- 40.1.2 unclaimed after having been declared or become payable,

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

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:

- 40.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
- 40.3.2 the Distribution Recipient has not claimed it,

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

#### 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:

- 41.2.1 fixing the value of any assets;
- 41.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
- 41.2.3 vesting any assets in trustees.

#### 42 **Waiver of distributions**

42.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in Writing to that effect, but if:

- 42.1.1 the Share has more than one Holder; or

42.1.2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint Holders, or otherwise,

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

#### 43 **Authority to capitalise and appropriation of capitalised sums**

43.1 Subject to the Articles, the Directors may, if they are so authorised by an Ordinary Resolution:

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

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

43.2 Capitalised sums must be applied:

43.2.1 on behalf of the persons entitled; and

43.2.2 in the same proportions as a dividend would have been distributed to them.

43.3 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.

43.4 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards:

43.4.1 paying up new debentures of the Company which are then allotted credited as Fully Paid to the persons entitled or as they may direct;

43.4.2 paying up any amounts unpaid on existing Shares held by the persons entitled.

43.5 Subject to the Articles the Directors may:

43.5.1 apply capitalised sums in accordance with paragraphs 43.3 and 43.4 partly in one way and partly in another;

43.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and

43.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

#### 44 **Attendance and speaking at general meetings**



44.1 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.

44.2 A person is able to exercise the right to vote at a general meeting when:

44.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

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

44.3 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.

44.4 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.

44.5 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.

#### 45 **Quorum for general meetings**

45.1 The Shareholder present by their Voting Representative or by proxy shall constitute a quorum.

45.2 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.

#### 46 **Chairing general meetings**

46.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.

46.2 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:

46.2.1 the Directors present; or

46.2.2 (if no Directors are present), the meeting,

must appoint a Director or the Shareholder to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.

46.3 The person chairing a meeting in accordance with this Article is referred to as **the Chairman of the Meeting**.

#### 47 **Attendance and speaking by Directors and non-shareholders**

47.1 Directors may attend and speak at general meetings, whether or not they are a Shareholder.

47.2 The Chairman of the Meeting may permit other persons who are not:

47.2.1 a Shareholder of the Company; or

47.2.2 otherwise entitled to exercise the rights of a Shareholder in relation to general meetings,

to attend and speak at a general meeting.

## 48 **Adjournment**

48.1 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.

48.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:

48.2.1 the meeting consents to an adjournment; or

48.2.2 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.

48.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.

48.4 When adjourning a general meeting, the Chairman of the Meeting must:

48.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and

48.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

48.5 If a general meeting is adjourned, then notice of the time and place to which it is adjourned shall be given:

48.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

48.5.2 containing the same information which such notice is required to contain.

48.6 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.

## 49 **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.

50        **Errors and disputes**

50.1        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.

50.2        Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

51        **Poll votes**

51.1        A poll on a resolution may be demanded:

51.1.1        in advance of the general meeting where it is to be put to the vote, or

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

51.2        A poll may be demanded by:

51.2.1        the Chairman of the Meeting;

51.2.2        the Directors;

51.2.3        any member (present by its Voting Representative or by proxy) having the right to attend and vote at the meeting or by a duly authorised representative of a corporation.

51.2.4        A demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn shall not invalidate the result of a vote on a show of hands declared before the demand was made.

51.3        Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

52        **Appointment of Proxies**

52.1        Proxies may only validly be appointed by a notice in Writing (a **proxy notice**) which:

52.1.1        states the name and address of the Shareholder appointing the proxy;

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

52.1.3        is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

52.1.4        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.

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

52.3 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.

52.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

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

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

### 53 **Delivery of proxy notices**

53.1 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.

53.2 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.

53.3 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.

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

### 54 **Written resolutions of Shareholders**

A written resolution of members passed in accordance with Part 13 of the Companies Act 2006 is as valid and effectual as a resolution passed at a general meeting of the Company.

### 55 **Means of communication to be used**

55.1 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.

55.2 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.

55.3 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.

55.4 Any notice, Document or other information shall be deemed served on or delivered to the intended recipient:

- 55.4.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 55.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 55.4.3 if properly addressed and sent or supplied by electronic means, one hour after the Document or information was sent or supplied; and
- 55.4.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

55.6 In proving that any notice, Document or other information was properly addressed, it shall be sufficient to show that the notice, Document or other information was delivered to an address permitted for the purpose by the Companies Act 2006.

## 56 **Company seals**

56.1 Any common seal may only be used by the authority of the Directors.

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

56.3 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.

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

56.4.1 any Director of the Company;

56.4.2 the company secretary (if any); or

56.4.3 any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

## 57 **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.

## 58 **Indemnity**

- 58.1 Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 1157 of the Act in which relief is granted to him and no Director or other officer shall be liable for any loss damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto provided that this Article 58.1 shall only have effect in so far as its provisions are not avoided by Section 232 of the Act.
- 58.2 The Board shall have power to purchase and maintain for any Board member or officer of the Company insurance against any such liability as is referred to in Section 232 of the Act.