

**Company number: 07824292**

**PRIVATE COMPANY LIMITED BY SHARES**  
**Ubico Limited (the "Company")**

On 6<sup>th</sup> February 2020 the following special resolution was passed by the Shareholders of the Company:

**SPECIAL RESOLUTION**

That the articles of association attached to this resolution are approved and adopted in substitution for and to the exclusion of any articles of association of the company previously registered with the Registrar of Companies.

.....  
**Chairman of Board**

13/02/2020  
.....  
**Date**

THURSDAY



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COMPANIES HOUSE

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
UBICO LIMITED

February 2020

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### 1 Defined terms

1.1 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 14;

**"chairman of the meeting"** has the meaning given in article 43;

**"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;

**"Conflict"** has the meaning given in article 17;

**"director"** means a director of the company (including without limitation) an Independent Director, an Executive Director or a LA Director) and **"Directors"** shall be all of the directors of the Company from time to time;

**"distribution recipient"** has the meaning given in article 32.2;

**"document"** includes, unless otherwise specified, any document sent or supplied in electronic form;

**"electronic form"** and **"electronic means"** have the meanings given to them in section 1168 of the Companies Act 2006;

**"Executive Directors"** means those directors appointed in accordance with article 21.8;

**"Finance Director"** means the person, who may or may not be a person engaged on a full time basis with the operations of the company, appointed as finance director by the shareholders;

**"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;

**"group company"** means, in relation to a company, a subsidiary undertaking or parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company, provided that the definition of "undertaking" in section 1161 of the Companies Act 2006 shall for these purposes also include any person (incorporated or unincorporated) created by statute;

**"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 shareholders as the holder of the shares;

**"instrument"** means a document in hard copy form;

**"Independent Directors"** means those directors appointed in accordance with article 21.5;

**"LA Directors"** means those directors appointed in accordance with articles 21.3 to 21.5;

**"Managing Director"** means the person, who may or may not be engaged on a full time basis in the management of the company, appointed as managing director by the shareholders;

**"Operations Director"** means the person, who may or may not be engaged on a full time basis in the operations of the company, appointed as operations director by the shareholders;

**"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 12;

**"Permitted Situation"** has the meaning given in article 17;

**"proxy notice"** has the meaning given in article 49;

**"public body"** means a contracting authority as such term is defined in regulation 2 of the Public Contracts Regulations 2015/102 (as may be amended from time to time) and **"public bodies"** shall be construed accordingly;

**"relevant director"** has the meaning given in article 56 and 57;

**"Representative"** has the meaning given in article 37.1;

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

**"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; 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.

- 1.2 No model articles contained in any statute or subordinate legislation, including those contained in the model articles for private companies limited by shares contained in Schedule 1 of the Companies Act (Model Articles) Regulations 2008, shall apply to the company.
- 1.3 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.
- 1.4 References to a **"person"** shall be construed so as to include any individual, firm, corporation, government, state or agency of a state or any joint venture, trust, association or partnership (whether or not having separate legal personality).

## 2 Objects

- 2.1 The object of the company is to provide services:

- 2.1.1 to public bodies; and

- 2.1.2 other customers (whether public bodies or not) as considered appropriate by the shareholders from time to time provided services to non-public bodies shall always remain incidental to the primary aim of providing services to public bodies.

**3 Powers**

- 3.1 The company may do all such lawful things as may further the company's objects.

**4 Liability of shareholders**

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

**PART 2**

**DIRECTORS**

**DIRECTORS' POWERS AND RESPONSIBILITIES**

**5 Directors' general authority**

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

**6 Shareholders' reserve power**

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

**7 Directors may delegate**

- 7.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles or the implementation of their decisions or day to day management of the affairs of the Company:
- 7.1.1 to such person or committee;
  - 7.1.2 by such means (including by power of attorney);
  - 7.1.3 to such an extent;
  - 7.1.4 in relation to such matters or territories; and
  - 7.1.5 on such terms and conditions;
- as they decide

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

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

## **8 Committees**

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

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

## **DECISION-MAKING BY DIRECTORS**

### **9 Directors to take decisions collectively**

9.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 10.

9.2 Each director shall have one vote. Unless otherwise stated within these articles, resolutions proposed at a directors' meeting shall be decided by a majority of votes.

9.3 If:

9.3.1 the company only has one director, and

9.3.2 no provision of the articles requires it to have more than one director,

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

9.4 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 in the articles relating to directors' decision-making.

### **10 Unanimous decisions**

10.1 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.

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

10.3 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.



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- 10.4 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.

## **11 Calling a directors' meeting**

- 11.1 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.
- 11.2 Notice of any directors' meeting must indicate:
- 11.2.1 its proposed date and time;
  - 11.2.2 where it is to take place;
  - 11.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting;
  - 11.2.4 an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - 11.2.5 copies of any papers to be discussed at the meeting.
- 11.3 Notice of a directors' meeting must be given to each director, but need not be in writing. Notice may be sent by electronic means to an address provided by a director for the purpose.
- 11.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 11.5 The directors shall hold a meeting at least four times a year, with no two meetings being held more than three months apart.

## **12 Participation in directors' meetings**

- 12.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 12.1.1 the meeting has been called and takes place in accordance with the articles, and
  - 12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 12.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 12.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **13 Quorum for directors' meetings**

- 13.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 13.2 The quorum for directors' meetings must comprise of two thirds of the Directors including at least one LA Director one Independent Director and one Executive Director.
- 13.3 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:
  - 13.3.1 to appoint further directors, or
  - 13.3.2 to call a general meeting so as to enable the shareholders to appoint further directors.
- 13.4 The shareholders shall use all reasonable endeavours to ensure that meetings of directors are not inquorate by virtue of the LA Directors failing to attend such meetings.

### **14 Chairing of directors' meetings**

- 14.1 The directors may appoint one of the Independent Directors to chair their meetings.
- 14.2 The person so appointed for the time being is known as the "**chairman**".
- 14.3 The directors may terminate the chairman's appointment at any time.
- 14.4 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.

### **15 Casting vote**

- 15.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting will not have a casting vote.

### **16 Conflicts of interest – transactions or arrangements with the company**

- 16.1 The relevant provisions of the Companies Act 2006 (including, without limitation, sections 177 and 182) shall apply in relation to declarations of interest in proposed and existing transactions or arrangements with the company.
- 16.2 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:
  - 16.2.1 may be a party to, or otherwise interested in, any contract with the company or in which the company is otherwise interested;
  - 16.2.2 may be a director or other officer of, employed by, a party to any contract with or otherwise interested in any group company or in any

body corporate promoted by the company or any group company or in which the company or any group company is interested; and

16.2.3 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor).

16.3 For the purposes of this article 16:

16.3.1 a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any group company; and

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

16.4 Where a director is a director or other officer of, or employed by, a group company (including a local authority), he:

16.4.1 may in exercising his independent judgment take into account the success of other group companies as well as the success of the company; and

16.4.2 shall in the exercise of his duties, where that other group company is a parent company, have a duty of confidentiality to the parent company in relation to confidential information of the parent company, but he shall not be restricted by any duty of confidentiality to the company from providing information to any parent company.

## **17 Conflicts of interest requiring board authorisation**

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 ("relevant director") breaching his duty under the Companies Acts to avoid conflicts of interest (a "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 to 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 17.3 will apply.

17.3 Where the directors give authority in relation to a Conflict:

17.3.1 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

- 17.3.2 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 in accordance with the terms of such authority.
- 17.4 A Conflict in relation to a director arising solely as a result of him being a director, officer or employee of any group company (including a local authority) shall be deemed to have been authorised for the purposes of this article 17 and section 175 of the Companies Act 2006.
- 17.5 Where article 17.4 above applies or the directors otherwise give authority in relation to a Conflict, or where any of the situations referred to in article 16 (a "**Permitted Situation**") applies:
- 17.5.1 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 purpose of dealing with the Conflict as they may determine;
- 17.5.2 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
- 17.5.3 the directors may provide that where the relevant director obtains (otherwise 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.
- 17.6 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 shareholders for any remuneration, profit or other benefit realised 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 below, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

- 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, 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**

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

**20 Directors' discretion to make further rules**

- 20.1 Subject to the articles, the directors may make any rule about how they take decisions, and about how such rules are to be recorded or communicated to directors.

## **APPOINTMENT OF DIRECTORS**

**21 Methods of appointing directors**

- 21.1 Each shareholder agrees to procure that the number of directors of the company shall not be less than four consisting of at least one LA Director appointed in accordance with articles 21.3 to 21.5, one Independent Director appointed in accordance with article 21.7 and one Executive Director appointed in accordance with article 21.8. The maximum number of directors shall be thirteen, consisting of three Independent Directors appointed in accordance with article 21.7, three Executive Directors appointed in accordance with article 21.8 and either no more than seven LA Directors appointed, with each shareholder appointing one LA Director each in accordance with articles 21.5.1 or three LA Directors jointly appointed by the shareholders in accordance with article 21.3. If and to the extent that three LA Directors are jointly appointed by the shareholders in accordance with article 21.3 the maximum number of directors shall be nine.
- 21.2 Subject to articles 21.3 to 21.5 each shareholder shall be entitled to appoint and remove one LA Director (who shall not be a councillor) to the board.
- 21.3 Notwithstanding article 21.2 but subject to article 21.5 if the shareholders unanimously agree, they shall jointly nominate three persons, who are not councillors, to be appointed by the board as LA Directors (and any replacements of such directors as required), on behalf of all shareholders, from time to time. Each shareholder shall have the opportunity to nominate a person to be appointed as LA Director. Once all shareholders have made their nomination or expressed a wish not to nominate, the shareholders shall by simple majority decision, agree persons to be nominated. If the shareholders do not unanimously agree to jointly nominate a LA Director in accordance with the process set out in this article within two months of the nominee being required to be appointed, the procedure in article 21.4 shall apply.
- 21.4 Notwithstanding article 21.2 but subject to article 21.5, if an LA Director is required to be appointed pursuant to article 21.3 and the shareholders have not agreed on a nominee within two months of the nominee being required to be appointed, each shareholder may instead, within one month of the nominee being required to be appointed, nominate its own LA Director or multiple shareholders may jointly

nominate their own LA Director, for appointment by the board subject to there being no more than seven LA Directors on the board at any one time and each shareholder only appointing one LA Director each.

- 21.5 Alternatively subject to there being no more than seven LA Directors on the board at any time and each shareholder only appointing one LA Director each:
- 21.5.1 the shareholders may determine unilaterally that instead of following the procedure under articles 21.3 and 21.4 they shall each nominate their own individual LA Directors in accordance with article 21.2; or
  - 21.5.2 multiple shareholders may jointly nominate their own LA Directors.
- 21.6 The individual right to appoint a LA Director under articles 21.2, 21.4 or 21.5 shall not apply to any shareholder who has exercised their right to jointly nominate a LA Director under either articles 21.3 or 21.5.2.
- 21.7 The shareholders shall by simple majority decision jointly nominate three persons to be appointed by the board as Independent Directors (and any replacements of such directors as required). The shareholders shall appoint the Independent Directors through an open recruitment process.
- 21.8 The shareholders shall appoint, by a simple majority decision, three Executive Directors, being the persons holding the role of Managing Director, Finance Director and Operations Director, as directors of the company from time to time by notice in writing to the company. On termination of any persons role as a Managing Director, Finance Director or Operations Director, they will automatically cease to be a director of the company and their replacement shall be appointed as a director, by the shareholders by notice in writing to the company.
- 21.9 The appointment of an Executive Director under article 21.8 shall take effect on the date on which the notice is received by the company or, if a later date is given in the notice, on that date.
- 21.10 No director shall serve more than six (6) consecutive years (consisting of two terms of three years) as a director commencing from the date of appointment. Unless otherwise agreed, a director's appointment shall automatically terminate at the next general meeting following the date on which he has served six consecutive years as a director.

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

- 22.1 A person ceases to be a director as soon as:
- 22.1.1 in the case of an LA Director nominated by one shareholder, the shareholder who nominated the LA Director notifies the company that the individual is to be removed as a director;
  - 22.1.2 in the case of an LA Director nominated by more than one shareholder but not all the shareholders, all shareholders who nominated the LA Director notify the company that the individual is to be removed as a director;

- 22.1.3 in the case of an LA Director nominated by all shareholders, more than 50% of the shareholders notify the company that the individual is to be removed as a director;
- 22.1.4 that person is an Independent Director and more than 50% of the shareholders notify the company that the individual is to be removed as a director;
- 22.1.5 that person is an Executive Director and has been appointed as a result of holding the role of Managing Director, Finance Director or Operations Director and no longer holds that role;
- 22.1.6 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;
- 22.1.7 a bankruptcy order is made against that person;
- 22.1.8 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 22.1.9 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 22.1.10 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.

## **23 Directors' remuneration**

- 23.1 Any entitlement of directors to receive remuneration shall be determined by the majority decision of the shareholders. Directors may undertake any services for the company that the directors decide.
- 23.2 Unless the shareholders decide otherwise by majority decision, directors' remuneration accrues from day to day.
- 23.3 Unless the shareholders decide otherwise by majority decision, 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 Directors' expenses**

- 24.1 Any entitlement of directors to be reimbursed for expenses incurred shall be determined by majority decision of the shareholders.

**PART 3**  
**SHARES AND DISTRIBUTIONS**  
**SHARES**

**25 All shares to be fully paid up**

- 25.1 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.
- 25.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

**26 Powers to issue different classes of share**

- 26.1 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 consent of at least seventy five (75) percent of the voting rights of shareholders.
- 26.2 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.

**27 Company not bound by less than absolute interests**

- 27.1 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.

**28 Share certificates**

- 28.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 28.2 Every certificate must specify:
  - 28.2.1 in respect of how many shares, of what class, it is issued;
  - 28.2.2 the nominal value of those shares;
  - 28.2.3 that the shares are fully paid; and
  - 28.2.4 any distinguishing numbers assigned to them.
- 28.3 No certificate may be issued in respect of shares of more than one class.
- 28.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 28.5 Certificates must be executed in accordance with the Companies Acts.



## **29 Replacement share certificates**

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

## **30 Share transfers**

- 30.1 Shares may only be transferred by shareholders to public bodies.
- 30.2 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.
- 30.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 30.4 The company may retain any instrument of transfer which is registered.
- 30.5 The transferor remains the holder of a share until the transferee's name is entered in the register of shareholders as holder of it.
- 30.6 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.
- 30.7 If title to a share passes to a transferee, the company may only recognise the transferee as having any title to that share.
- 30.8 But transferees 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 bankruptcy or otherwise, unless they become the holders of those shares.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **31 Procedure for declaring dividends**

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

- 31.2 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.
- 31.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 31.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 31.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 31.6 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.
- 31.7 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.

## 32 Payment of dividends and other distributions

- 32.1 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:
  - 32.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 32.1.2 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;
  - 32.1.3 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
  - 32.1.4 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.
- 32.2 In the articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
  - 32.2.1 the holder of the share; or
  - 32.2.2 if the holder is no longer entitled to the share by reason of bankruptcy, or otherwise by operation of law, the transmittee.

### **33 No interest on distributions**

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

33.1.1 the terms on which the share was issued, or

33.1.2 the provisions of another agreement between the holder of that share and the company.

### **34 Unclaimed distributions**

34.1 All dividends or other sums which are:

34.1.1 payable in respect of shares, and

34.1.2 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.

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

34.3 If:

34.3.1 twelve (12) years have passed from the date on which a dividend or other sum became due for payment, and

34.3.2 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.

### **35 Non-cash distributions**

35.1 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).

35.2 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:

35.2.1 fixing the value of any assets;

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

35.2.3 vesting any assets in trustees.

**36 Waiver of distributions**

- 36.1 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.

**PART 4**

**DECISION-MAKING BY SHAREHOLDERS**

**ORGANISATION OF GENERAL MEETINGS**

**37 Representatives of shareholders**

- 37.1 A public body shareholder may be represented at any general meeting of the company by any authorised councillor or officer for the time being of the public body as notified by the public body in question to the company in writing in advance of such individual attending as a representative (a “**Representative**”).
- 37.2 A Representative shall be deemed to have full authority to act on behalf of the public body shareholder in relation to any discussion or vote at a general meeting and shall be counted for voting and quorum purposes on behalf of such public body shareholder.

**38 Shareholder Forum**

- 38.1 The shareholders shall establish a forum, in which informal consideration of company matters by the Representatives shall take place.

**39 Calling and holding a general meeting**

- 39.1 The directors or shareholders may call a general meeting at any time.
- 39.2 General meetings must be held in accordance with the provisions regarding such meetings in the Companies Acts.
- 39.3 A person who is not a shareholder shall not have any right to vote at a general meeting of the company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the company's debentures.
- 39.4 Article 39.3 shall not prevent a shareholder's proxy or Representative from voting at a general meeting of the company.

**40 Attendance and speaking at general meetings**

- 40.1 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.
- 40.2 A person is able to exercise the right to vote at a general meeting when:
- 40.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

40.2.2 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.

40.3 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.

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

40.5 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.

#### **41 Quorum for general meetings**

41.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present. The quorum of a general meeting shall be Representatives of three quarters of the shareholders.

#### **42 Notice of a general meeting**

42.1 Notice of a general meeting must indicate:

42.1.1 its proposed date and time;

42.1.2 where it is to take place;

42.1.3 if it is anticipated that members 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;

42.1.4 an agenda specifying in reasonable detail the matters to be raised at the meeting; and

42.1.5 copies of any papers to be discussed at the meeting.

42.2 Notice of a general meeting must be given to each director and shareholder or Representative (where notified to the company in accordance with article 37.1), but need not be in writing.

#### **43 Chairing general meetings**

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

43.2 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:

43.2.1 the directors present, or

43.2.2 (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.

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

#### **44 Attendance and speaking by directors and non-shareholders**

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

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

44.2.1 shareholders of the company, or

44.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

#### **45 Adjournment**

- 45.1 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.

- 45.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

45.2.1 the meeting consents to an adjournment, or

45.2.2 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.

- 45.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 45.4 When adjourning a general meeting, the chairman of the meeting must:

45.4.1 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

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

- 45.5 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):

45.5.1 to the same persons to whom notice of the company's general meetings is required to be given, and

- 45.5.2 containing the same information which such notice is required to contain.
- 45.6 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**

### **46 Voting: general**

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

### **47 Errors and disputes**

- 47.1 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.
- 47.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### **48 Poll votes**

- 48.1 A poll on a resolution may be demanded:
  - 48.1.1 in advance of the general meeting where it is to be put to the vote, or
  - 48.1.2 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.
- 48.2 A poll may be demanded by:
  - 48.2.1 the chairman of the meeting;
  - 48.2.2 the directors;
  - 48.2.3 two or more persons having the right to vote on the resolution; or
  - 48.2.4 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.
- 48.3 A demand for a poll may be withdrawn if:
  - 48.3.1 the poll has not yet been taken, and
  - 48.3.2 the chairman of the meeting consents to the withdrawal.
- 48.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **49 Content of proxy notices**

- 49.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
  - 49.1.1 states the name and address of the shareholder appointing the proxy;
  - 49.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 49.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 49.1.4 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.
- 49.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 49.3 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.
- 49.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - 49.4.1 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
  - 49.4.2 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.

## **50 Delivery of proxy notices**

- 50.1 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.
- 50.2 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.
- 50.3 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.
- 50.4 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.

## **51 Amendments to resolutions**

- 51.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:



- 51.1.1 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
- 51.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 51.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 51.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 51.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 51.3 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.

## **52 Irregularities**

- 52.1 The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

## **53 Written resolutions**

- 53.1 Subject to article 53.5, a written resolution of the company passed in accordance with this article 53 shall have effect as if passed by the company in general meeting:
- 53.2 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible shareholders.
- 53.3 A written resolution is passed as a special resolution if it is passed by shareholders representing not less than 75% of the total voting rights of eligible shareholders. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 53.4 In relation to a resolution proposed as a written resolution of the company the eligible shareholders are the shareholders who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 53.5 A shareholders' resolution under the Companies Acts removing a director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 53.6 A copy of the written resolution proposed to be passed must be sent to every shareholder together with a statement informing the shareholder how to signify their

agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the company's auditors in accordance with the Companies Acts.

- 53.7 A shareholder signifies their agreement to a proposed written resolution when the company receives from that shareholder an authenticated document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- 53.8 If the document is sent to the company in hard copy form, it is authenticated if it bears the shareholder's signature.
- 53.9 If the document is sent to the company by electronic means, it is authenticated if it bears the shareholder's signature or if the identity of the member is confirmed in a manner agreed by the directors or if it is accompanied by a statement of the identity of the member and the company has no reason to doubt the truth of that statement or if it is from an email address notified by the shareholder for the purposes of receiving documents or information by electronic means.
- 53.10 A written resolution is passed when the required majority of eligible shareholders have signified their agreement to it.
- 53.11 A proposed written resolution lapses if it is not passed within twenty eight (28) days beginning with the circulation date.

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

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

- 54.1 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.
- 54.2 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.
- 54.3 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 Right to inspect accounts and other records**

- 55.1 Each shareholder and its authorised representatives shall have the right, in accordance with any arrangements made between the shareholders and on giving to the company reasonable advance notice, during normal business hours to inspect the books and records of the Company and any subsidiary of the Company.

## DIRECTORS' INDEMNITY AND INSURANCE

### 56 Indemnity

- 56.1 Subject to article 56.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:
- 56.1.1 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;
  - 56.1.2 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);
  - 56.1.3 any other liability incurred by that director as an officer of the company or an associated company.
- 56.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 56.3 In this article:
- 56.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - 56.3.2 a **"relevant director"** means any director or former director of the company or an associated company.

### 57 Insurance

- 57.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- 57.2 In this article:
- 57.2.1 a **"relevant director"** means any director or former director of the company or an associated company;
  - 57.2.2 a **"relevant loss"** means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
  - 57.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.