

# STEVENS&BOLTON

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

**GENBA DIGITAL LIMITED**

adopted by special resolution passed on 21 June 2021

Company number: 09491005



## CONTENTS

	Page	
1	DEFINITIONS AND INTERPRETATION	1
2	LIABILITY OF MEMBERS	2
3	DIRECTORS' GENERAL AUTHORITY	2
4	DIRECTORS MAY DELEGATE	2
5	COMMITTEES	2
6	DIRECTORS TO TAKE DECISIONS COLLECTIVELY	2
7	UNANIMOUS DECISIONS	3
8	CALLING A DIRECTORS' MEETING	3
9	PARTICIPATION IN DIRECTORS' MEETINGS	3
10	QUORUM FOR DIRECTORS' MEETINGS	4
11	CHAIRING OF DIRECTORS' MEETINGS	4
12	CASTING VOTE	4
13	AUTHORISATION OF CONFLICTS	4
14	INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS	5
15	RECORDS OF DECISIONS TO BE KEPT	6
16	DIRECTORS' DISCRETION TO MAKE FURTHER RULES	6
17	METHODS OF APPOINTING DIRECTORS	6
18	TERMINATION OF DIRECTOR'S APPOINTMENT	6
19	CONTROLLING SHAREHOLDER POWER TO APPOINT AND REMOVE DIRECTORS	7
20	DIRECTORS' REMUNERATION	7
21	DIRECTORS' EXPENSES	7
22	ALTERNATE DIRECTORS	7
23	RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS	8
24	TERMINATION OF ALTERNATE DIRECTORSHIP	8
25	SECRETARY	9
26	ALLOTMENT OF SHARES	9
27	ALL SHARES TO BE FULLY PAID UP	9
28	POWERS TO REDESIGNATE AND ISSUE DIFFERENT CLASSES OF SHARES	9
29	POWER TO PURCHASE OWN SHARES	9
30	COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS	9
31	SHARE CERTIFICATES	10
32	REPLACEMENT SHARE CERTIFICATES	10
33	SHARE TRANSFERS	10
34	TRANSMISSION OF SHARES	11
35	EXERCISE OF TRANSMITTEES' RIGHTS	11
36	TRANSMITTEES BOUND BY PRIOR NOTICES	11
37	PROCEDURE FOR DECLARING DIVIDENDS	11
38	CALCULATION OF DIVIDENDS	12
39	PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS	12
40	NO INTEREST ON DISTRIBUTIONS	12
41	UNCLAIMED DISTRIBUTIONS	13
42	NON-CASH DISTRIBUTIONS	13
43	WAIVER OF DISTRIBUTIONS	13
44	AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS	13
45	ATTENDANCE AND SPEAKING AT GENERAL MEETINGS	14

46	QUORUM FOR GENERAL MEETINGS	15
47	CHAIRING GENERAL MEETINGS	15
48	ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS	15
49	ADJOURNMENT	15
50	VOTING - GENERAL	16
51	ERRORS AND DISPUTES	16
52	POLL VOTES	16
53	CONTENT OF PROXY NOTICES	17
54	DELIVERY OF PROXY NOTICES	17
55	AMENDMENTS TO RESOLUTIONS	17
56	MEANS OF COMMUNICATION TO BE USED	18
57	COMPANY SEALS	18
58	NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS	18
59	PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS	19
60	INDEMNITY AND INSURANCE	19

## 1 DEFINITIONS AND INTERPRETATION

1.1 In these articles, unless expressly stated to the contrary:

**articles** means the company's articles of association;

**2006 Act** means the Companies Act 2006, to the extent in force from time to time, including any statutory modification or re-enactment thereof for the time being in force;

**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;

**Companies Acts** has the meaning set out in section 2 of the 2006 Act, including any statutory modification or re-enactment thereof for the time being in force;

**Controlling Shareholder** means a registered holder for the time being of not less than 75% in nominal value of the equity share capital of the company from time to time;

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

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

**electronic form** has the meaning given in section 1168 of the 2006 Act;

**eligible director** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

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

**holder** means, in relation to shares, 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;

**qualifying person** means:

(a) an individual who is a shareholder; or (b) a person authorised under section 323 of the 2006 Act to act as the representative of a corporation in relation to a meeting; or (c) a person appointed as a proxy of a shareholder in relation to the meeting;

**shareholder** means a person who is a member of the company as defined in section 112 of the 2006 Act;

**shares** means shares in the company;

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

**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 Words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa and words importing persons shall include bodies corporate unincorporated associations and partnerships.

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

## **2 LIABILITY OF MEMBERS**

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

## **3 DIRECTORS' GENERAL AUTHORITY**

- 3.1 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.
- 3.2 Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a Controlling Shareholder may from time to time by notice in writing to the company prescribe.<sup>1</sup>

## **4 DIRECTORS MAY DELEGATE**

- 4.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
- 4.1.1 to such person or committee;
  - 4.1.2 by such means (including by power of attorney);
  - 4.1.3 to such an extent;
  - 4.1.4 in relation to such matters or territories; and
  - 4.1.5 on such terms and conditions as they think fit.
- 4.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 4.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **5 COMMITTEES**

- 5.1 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.
- 5.2 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.

## **6 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 6.1 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 7.
- 6.2 If:

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<sup>1</sup> See drafting note on frontsheet

- 6.2.1 the company only has one director for the time being; and
  - 6.2.2 no provision of the articles requires it to have more than one director
- the general rule does not apply, and the sole director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making, and shall have the authority to exercise all the powers and discretions under these articles expressed to be vested in the directors generally.

## **7 UNANIMOUS DECISIONS**

- 7.1 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.
- 7.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 7.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## **8 CALLING A DIRECTORS' MEETING**

- 8.1 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.
- 8.2 Notice of any directors' meeting must indicate:
  - 8.2.1 its proposed date and time;
  - 8.2.2 where it is to take place; and
  - 8.2.3 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.
- 8.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 8.4 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 at any time before or 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.

## **9 PARTICIPATION IN DIRECTORS' MEETINGS**

- 9.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
  - 9.1.1 the meeting has been called and takes place in accordance with the articles; and
  - 9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 9.3 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.

## **10 QUORUM FOR DIRECTORS' MEETINGS**

- 10.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 10.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and, unless otherwise fixed, it is two eligible directors. This is subject to article 10.3 in the case of a sole director and subject to article 10.4.
- 10.3 Where there is only one director in office for the time being, the quorum is one director.
- 10.4 For the purposes of any meeting (or part of a meeting) held to consider the authorisation of a director's conflict pursuant to article 13.1, if there is only one eligible director in office, the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 10.5 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:
  - 10.5.1 to appoint further directors; or
  - 10.5.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## **11 CHAIRING OF DIRECTORS' MEETINGS**

- 11.1 The directors may appoint a director to chair their meetings.
- 11.2 The person so appointed for the time being is known as the chairman.
- 11.3 The directors may terminate the chairman's appointment at any time.
- 11.4 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.

## **12 CASTING VOTE**

- 12.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- 12.2 But this does not apply if, in accordance with the articles or the Companies Acts, the chairman or other director is not an eligible director.

## **13 AUTHORISATION OF CONFLICTS**

- 13.1 The directors may, subject to and in accordance with this article 13, authorise any matter or situation which would otherwise result in a director breaching his duty under section 175 of the 2006 Act to avoid conflicts of interest.
- 13.2 Any authorisation under article 13.1 shall be effective only if any requirement as to the quorum for consideration of the relevant matter or situation is met without counting the interested director and any other interested director, and it is agreed to without their voting or would have been agreed to if their vote(s) had not been counted.
- 13.3 Any authorisation under article 13.1 may be given subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, whether at the time of authorisation or subsequently. In particular the directors may:
  - 13.3.1 extend such authorisation to any actual or potential conflict of interest which may reasonably be expected to arise out of the conflict so authorised;

- 13.3.2 require that the interested director is excluded from the receipt of documentation and information, the participation in discussions and/or the making of decisions (whether at meetings of the board or otherwise) related to such matter or situation;
  - 13.3.3 provide that the interested director shall or shall not be an eligible director in respect of any future decision of the directors in relation to the matter or situation of conflict;
  - 13.3.4 provide that, where the interested director obtains or has obtained (through his involvement with the matter or situation of conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he shall not be obliged to disclose that confidential information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence;
  - 13.3.5 allow the interested director to absent himself from the discussion of matters relating to the conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent that they relate to such matter or situation of conflict; and
  - 13.3.6 allow the interested director to make such arrangements as he thinks fit for board and committee papers to be received and read by a professional adviser on behalf of that director.
- 13.4 The directors may vary or revoke such authorisation at any time, but this will not affect anything done by the interested director in accordance with the terms of such authorisation prior to such revocation or variation.
- 13.5 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any subsidiary or holding company of the company or any other body corporate in which the company is otherwise directly or indirectly interested and no further authorisation under article 13.1 shall be necessary in respect of any such interest.
- 13.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director) to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a conflict which has been authorised by the directors in accordance with these articles, by the company or by these articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

#### **14 INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS**

- 14.1 Provided he has declared the nature and extent of his interest in accordance with the requirements of section 177 and/or section 182 (but subject to sections 177(5), 177(6), 182(5) and 182(6) of the 2006 Act), a director who is in any way, whether directly or indirectly interested in a proposed or existing transaction or arrangement with the company:
- 14.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise directly or indirectly interested;
  - 14.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;



- 14.1.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 14.1.4 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any holding company or subsidiary of the company or any other body corporate in which the company is otherwise directly or indirectly interested; and
- 14.1.5 shall not, save as he may otherwise agree, be accountable to the company for any remuneration, profit or other benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such holding company, subsidiary or other body corporate and no such transaction or arrangement shall be liable to be avoided on such grounds, nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of his duty under section 176 of the 2006 Act.
- 14.2 The provisions of articles 14.1.1 to 14.1.5 are subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 13.3.

## **15 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.

## **16 DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

## **17 METHODS OF APPOINTING DIRECTORS**

- 17.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- 17.1.1 by ordinary resolution; or
  - 17.1.2 by a decision of the directors.
- 17.2 In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
- 17.3 For the purposes of article 17.2 where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

## **18 TERMINATION OF DIRECTOR'S APPOINTMENT**

- A person ceases to be a director as soon as:
- 18.1 that person ceases to be a director by virtue of any provision of the 2006 Act or is prohibited from being a director by law;
  - 18.2 a bankruptcy order is made against that person;

- 18.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 18.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 18.5 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

## 19 **CONTROLLING SHAREHOLDER POWER TO APPOINT AND REMOVE DIRECTORS**

A Controlling Shareholder may from time to time and at any time by notice in writing appoint any person or persons as a director or directors, either as an addition to the existing directors or to fill any vacancy and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by notice in writing signed by the shareholder or shareholders making the same, or in the case of a shareholder being a company signed by one of its directors on its behalf, and shall take effect on and from the date on which the same is left or received at the registered office of the company.

## 20 **DIRECTORS' REMUNERATION**

- 20.1 Directors may undertake any services for the company that the directors decide.
- 20.2 Directors are entitled to such remuneration as the directors determine:
  - 20.2.1 for their services to the company as directors; and
  - 20.2.2 for any other service which they undertake for the company.
- 20.3 Subject to the articles, a director's remuneration may:
  - 20.3.1 take any form; and
  - 20.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 20.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 20.5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

## 21 **DIRECTORS' EXPENSES**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- 21.1 meetings of directors or committees of directors;
- 21.2 general meetings; or
- 21.3 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.

## 22 **ALTERNATE DIRECTORS**

- 22.1 Any director ("appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

22.1.1 exercise that director's powers; and

22.1.2 carry out that director's responsibilities

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

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

## **23 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

23.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

23.2 Except as the articles specify otherwise, alternate directors:

23.2.1 are deemed for all purposes to be directors;

23.2.2 are liable for their own acts and omissions;

23.2.3 are subject to the same restrictions as their appointors; and

23.2.4 are not deemed to be agents of or for their appointors

and in particular (without limitation) each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

23.3 A person who is an alternate director but not a director:

23.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

23.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

23.3.3 shall not be counted as more than one director for the purposes of articles 23.3.1 and 23.3.2.

23.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

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

## **24 TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates:

24.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

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

24.3 on the death of the alternate's appointor; or

24.4 when the alternate's appointor's appointment as a director terminates.]

**25 SECRETARY**

The company shall not be required to have a company secretary. However, the directors may, in their discretion and from time to time, appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement.

**26 ALLOTMENT OF SHARES**

The directors have the powers given by section 550 of the 2006 Act to allot shares in the company, or to grant rights to subscribe for or to convert any security into shares in the company.

**27 ALL SHARES TO BE FULLY PAID UP**

- 27.1 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 of its issue.
- 27.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

**28 POWERS TO REDESIGNATE AND 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.
- 28.3 The company may by ordinary resolution redesignate shares in the capital of the company.

**29 POWER TO PURCHASE OWN SHARES**

Without limiting or otherwise prejudicing any power conferred on the company to purchase its own shares pursuant to Chapter 4 of Part 18 of the 2006 Act, the company may purchase its own shares with cash pursuant to section 692(1ZA) of the 2006 Act up to an amount in any financial year specified in that section.

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

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

## **31 SHARE CERTIFICATES**

- 31.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 31.2 Every certificate must specify:
  - 31.2.1 in respect of how many shares, of what class, it is issued;
  - 31.2.2 the nominal value of those shares;
  - 31.2.3 the amount paid up on them; and
  - 31.2.4 any distinguishing numbers assigned to them.
- 31.3 No certificate may be issued in respect of shares of more than one class.
- 31.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 31.5 Certificates must:
  - 31.5.1 have affixed to them the company's common seal; or
  - 31.5.2 be otherwise executed in accordance with the Companies Acts.

## **32 REPLACEMENT SHARE CERTIFICATES**

- 32.1 If a certificate issued in respect of a shareholder's shares is:
  - 32.1.1 damaged or defaced; or
  - 32.1.2 said to be lost, stolen or destroyedthat shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 32.2 A shareholder exercising the right to be issued with such a replacement certificate:
  - 32.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 32.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and
  - 32.2.3 must comply with such conditions as to evidence, indemnity and the payment of reasonable expenses as the directors decide.

## **33 SHARE TRANSFERS**

- 33.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, unless the shares are fully paid, the transferee.
- 33.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 33.3 The company may retain any instrument of transfer which is registered.
- 33.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 33.5 The directors may in their absolute discretion refuse to register the transfer of a share, whether or not it is a fully paid 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.

## **34 TRANSMISSION OF SHARES**

- 34.1 If title to a share passes to a transferee, the company may only recognise the transferee as having any title to that share.
- 34.2 A transferee who produces such evidence of entitlement to shares as the directors may properly require:
- 34.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and
- 34.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 34.3 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 death or bankruptcy or otherwise, unless they become the holders of those shares.

## **35 EXERCISE OF TRANSFERREES' RIGHTS**

- 35.1 Transferees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 35.2 If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in respect of it.
- 35.3 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 transferee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

## **36 TRANSFERREES BOUND BY PRIOR NOTICES**

If a notice is given to a shareholder in respect of shares and a transferee is entitled to those shares, the transferee is bound by the notice if it was given to the shareholder before the transferee's name, or the name of any person nominated under article 35.2, has been entered in the register of members.

## **37 PROCEDURE FOR DECLARING DIVIDENDS**

- 37.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 37.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 37.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 37.4 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.
- 37.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 37.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

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

## **38 CALCULATION OF DIVIDENDS**

- 38.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:
- 38.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
  - 38.1.2 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.
- 38.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- 38.3 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.

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

- 39.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 39.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 39.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - 39.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
  - 39.1.4 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.
- 39.2 In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- 39.2.1 the holder of the share; or
  - 39.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 39.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

## **40 NO INTEREST ON DISTRIBUTIONS**

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

- 40.1 the terms on which the share was issued; or
- 40.2 the provisions of another agreement between the holder of that share and the company.

## **41 UNCLAIMED DISTRIBUTIONS**

41.1 All dividends or other sums which are:

41.1.1 payable in respect of shares; and

41.1.2 unclaimed after having been declared or become payable

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

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

41.3 If:

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

41.3.2 the distribution recipient has not claimed it

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

## **42 NON-CASH DISTRIBUTIONS**

42.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

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

42.2.1 fixing the value of any assets;

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

42.2.3 vesting any assets in trustees.

## **43 WAIVER OF DISTRIBUTIONS**

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

43.1 the share has more than one holder; or

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

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

## **44 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

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

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



- 44.1.2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 44.2 Subject to article 44.6, capitalised sums must be applied:
- 44.2.1 on behalf of the persons entitled; and
- 44.2.2 in the same proportions as a dividend would have been distributed to them.
- 44.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct and, where relevant, to the company as contemplated by article 44.6.
- 44.4 A capitalised sum which was appropriated from profits available for distribution may be applied:
- 44.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled and, where relevant, by the company as contemplated by article 44.6; or
- 44.4.2 in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 44.5 Subject to the articles the directors may:
- 44.5.1 apply capitalised sums in accordance with articles 44.3 and 44.4 partly in one way and partly in another;
- 44.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- 44.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.
- 44.6 The company shall be entitled to participate in a capitalisation in relation to any shares held by it as treasury shares at that time and the proportionate entitlement of the persons entitled to the distribution shall be calculated accordingly.

## **45 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 45.1 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.
- 45.2 A person is able to exercise the right to vote at a general meeting when:
- 45.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 45.2.2 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.
- 45.3 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.
- 45.4 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.
- 45.5 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.

## **46 QUORUM FOR GENERAL MEETINGS**

- 46.1 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 at the time when the meeting proceeds to business.
- 46.2 Where, for the time being, the company has only one member, one qualifying person present at a meeting is a quorum. Otherwise two qualifying persons present at a meeting are a quorum unless:
- 46.2.1 each is a qualifying person only because he is authorised under section 323 of the 2006 Act to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- 46.2.2 each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

## **47 CHAIRING GENERAL MEETINGS**

- 47.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 47.2 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:
- 47.2.1 the directors present; or
- 47.2.2 (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.
- 47.3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

## **48 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

- 48.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 48.2 The chairman of the meeting may permit other persons who are not:
- 48.2.1 shareholders of the company; or
- 48.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,  
to attend and speak at a general meeting.

## **49 ADJOURNMENT**

- 49.1 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.
- 49.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 49.2.1 the meeting consents to an adjournment; or
- 49.2.2 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.

- 49.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 49.4 When adjourning a general meeting, the chairman of the meeting must:
  - 49.4.1 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
  - 49.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 49.5 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):
  - 49.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and
  - 49.5.2 containing the same information which such notice is required to contain.
- 49.6 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.

## 50 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.

## 51 ERRORS AND DISPUTES

- 51.1 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.
- 51.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

## 52 POLL VOTES

- 52.1 A poll on a resolution may be demanded:
  - 52.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 52.1.2 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.
- 52.2 A poll may be demanded by:
  - 52.2.1 the chairman of the meeting;
  - 52.2.2 the directors;
  - 52.2.3 two or more persons having the right to vote on the resolution; or
  - 52.2.4 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.
- 52.3 A demand for a poll may be withdrawn if:
  - 52.3.1 the poll has not yet been taken; and
  - 52.3.2 the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 52.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **53 CONTENT OF PROXY NOTICES**

- 53.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- 53.1.1 states the name and address of the shareholder appointing the proxy;
  - 53.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 53.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 53.1.4 is delivered to the company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised (provided that in calculating such period no account shall be taken of any part of a day that is not a working day) and in accordance with any instructions contained in the notice of the general meeting to which they relate; and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.
- 53.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 53.3 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.
- 53.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 53.4.1 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
  - 53.4.2 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.

## **54 DELIVERY OF PROXY NOTICES**

- 54.1 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.
- 54.2 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.
- 54.3 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.
- 54.4 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.

## **55 AMENDMENTS TO RESOLUTIONS**

- 55.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 55.1.1 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

- 55.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 55.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 55.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 55.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 55.3 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.

## 56 MEANS OF COMMUNICATION TO BE USED

- 56.1 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 2006 Act 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.
- 56.2 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.
- 56.3 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.

## 57 COMPANY SEALS

- 57.1 Any common seal may only be used by the authority of the directors.
- 57.2 The directors may decide by what means and in what form any common seal is to be used.
- 57.3 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.
- 57.4 For the purposes of this article, an authorised person is:
  - 57.4.1 any director of the company;
  - 57.4.2 the company secretary (if any); or
  - 57.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

## 58 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.

**59 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

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

**60 INDEMNITY AND INSURANCE**

- 60.1 Subject to the provisions of the Companies Acts but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of the company (other than any person, whether an officer or not, engaged by the company as auditor) shall be indemnified and kept indemnified out of the assets of the company against 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 in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.
- 60.2 Without prejudice to any indemnity to which a director may otherwise be entitled (including, for the avoidance of doubt, any indemnity under or pursuant to these articles), the directors shall, to the extent permitted by the Companies Acts, have the power to grant, on such terms as they see fit, to any director or other officer of the company, an indemnity or indemnities out of the assets of the company in respect of any liability incurred by him as such, and to amend, vary or extend the terms of such indemnity so granted, again on such terms as the directors see fit.
- 60.3 The directors shall have the power to purchase and maintain indemnity insurance for any director, as contemplated by section 233 of the 2006 Act.
- 60.4 Subject to the Companies Acts, the directors shall have the power to make a loan to any director or otherwise do anything to enable a director to avoid incurring expenditure in defending himself in an investigation by a regulatory authority, or against action proposed to be taken by a regulatory authority, or in any criminal or civil proceedings or in connection with any application under sections 661(3) or 1157 of the 2006 Act.
- 60.5 This article shall not be deemed to provide for, or entitle any such person to, indemnification to the extent that it would cause this article, or any element of it, to be treated as void under the Companies Acts.