

Company No. 09136445

Articles of Association of London LGPS CIV Limited

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Adopted by written resolution passed on

2015

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LONDON LGPS CIV LIMITED

Adopted by written resolution passed on

2015

1. INTERPRETATION

1.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

"2006 Act"	the Companies Act 2006 (as amended from time to time)
"A Shares"	the ordinary shares of £1.00 each in the capital of the Company having the rights set out in these Articles in respect of Shares of that class
"these Articles"	these articles of association as amended from time to time
"B Shares"	the non-voting redeemable shares of £1.00 each in the capital of the Company having the rights set out in these Articles in respect of Shares of that class
"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
"Business Day"	any day (other than a Saturday or Sunday or a bank or public holiday in England)
"chairman of the meeting"	has the meaning given in Article 46.3
"Companies Acts"	the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company

“director”	a director of the Company, and includes any person occupying the position of director, by whatever name called
“Directors’ Chairman”	the default chairman of meetings of directors as chosen by the directors pursuant to Article 12
“distribution recipient”	has the meaning given in Article 37.2
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form
“electronic form”	has the meaning given in section 1168 of the Companies Act 2006 but does not, for the avoidance of doubt, include communication via a website
“eligible directors”	has the meaning given in Article 8.3
“Encumbrance”	includes any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option, right of pre-emption or right of conversion) or any mortgage, charge, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property
“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
“FCA”	the Financial Conduct Authority and any successor body
“FCA Rules”	the Handbook of Rules and Guidance of the FCA, as amended, supplemented and replaced from time to time
“hard copy form”	has the meaning given in section 1168 of the Companies Act 2006
“holder”	in relation to Shares means the person whose

	name is entered in the register of members as the holder of the Shares
"instrument"	means a document in hard copy form
"ordinary resolution"	has the meaning given in section 282 of the Companies Act 2006
"paid"	paid or credited as paid
"participate"	in relation to a directors' meeting, has the meaning given in Article 10.1
"proxy notice"	has the meaning given in Article 51.1
"PCSJC"	the Pensions CIV Sectoral Joint Committee
"shareholder"	a person who is the holder of a Share
"Shares"	A Shares and B Shares and any other shares in the capital of the company from time to time
"Shareholders' Chairman"	the default chairman for general meetings, as appointed by the Shareholders
"special resolution"	has the meaning given in section 283 of the Companies Act 2006
"the Statutes"	the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
"subsidiary"	has the meaning given in section 1159 of the Companies Act 2006
"United Kingdom"	Great Britain and Northern Ireland
"Withdrawal Date"	in respect of a shareholder, has the meaning given in Article 34.1
"in writing"	hard copy form or, to the extent agreed (or deemed to be agreed by virtue of a provision of the Statutes) electronic form (but not to include by means of a website)

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Companies Acts and every other statute, order, regulation or other subordinate legislation in force from time to time relating to companies and affecting the Company but excluding any statutory modification of the same not in force when these Articles become binding on the Company.

1.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.

2. **LIABILITY OF MEMBERS**

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

DIRECTORS' POWERS AND RESPONSIBILITIES

3. **DIRECTORS' GENERAL AUTHORITY**

Subject to these 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.

4. **SHAREHOLDERS' RESERVE POWER**

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

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

5. **DIRECTORS MAY DELEGATE**

5.1 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under these Articles:

5.1.1 to such person or committee;

5.1.2 by such means (including by power of attorney);

5.1.3 to such an extent;

5.1.4 in relation to such matters or territories; and

5.1.5 on such terms and conditions,

as they think fit.

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

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

6. **COMMITTEES**

6.1 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 these Articles which govern the taking of decisions by directors.

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

7. **DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

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 8**.

8. **UNANIMOUS DECISIONS OF DIRECTORS**

8.1 A decision of the directors is taken in accordance with this **Article 8** when all eligible directors indicate to each other by any means that they share a common view on a matter.

8.2 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.

8.3 References in this **Article 8** 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.

8.4 A decision may not be taken in accordance with this **Article 8** if the eligible directors would not have formed a quorum at such a meeting.

9. **CALLING A DIRECTORS' MEETING**

9.1 Any director may call a directors' meeting by giving not less than five Business Days' notice of the meeting (except in the case of an emergency) to the directors or by authorising the company secretary to give such notice.

9.2 Notice of any directors' meeting must indicate:

- 9.2.1 its proposed date and time;
- 9.2.2 where it is to take place; and
- 9.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should simultaneously communicate with each other during the meeting.

9.3 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.

10. **PARTICIPATION IN DIRECTORS' MEETINGS**

10.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

10.1.1 the meeting has been called and takes place in accordance with these Articles; and

10.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 10.1.2**, how they communicate with each other.

10.3 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.

11. **QUORUM FOR DIRECTORS' MEETINGS**

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

11.2 Subject to this **Article 11**, the quorum for directors' meetings shall throughout each meeting be three directors.

11.3 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:

11.3.1 to appoint further directors, or

11.3.2 to call a general meeting so as to enable the shareholders to appoint further directors.

- 11.4 If there is no quorum participating in any meeting of the directors within two hours after the time fixed for the meeting, the meeting shall be adjourned to such time as the director or directors participating in the meeting shall determine, or, in the absence of any directors participating, to such time as the chairman of the preceding directors' meeting shall determine. If there is no quorum participating within one hour after the time fixed for the adjourned meeting, the meeting shall be further adjourned as aforesaid. If there is no quorum participating within one hour after the time fixed for the further adjourned meeting any two directors participating shall constitute a quorum.
- 11.5 If, as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a directors' meeting then the following shall apply:
- 11.5.1 if the eligible directors participating in the meeting do not constitute a quorum then the quorum for the purposes of the meeting shall be reduced by one for each director who cannot vote or be counted in the quorum; and
- 11.5.2 if despite **Article 11.5.1** the eligible directors participating in the meeting still do not constitute a quorum or there are no eligible directors then the meeting must be adjourned to enable the shareholders to authorise any situation in which a director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

12. **CHAIRING OF DIRECTORS' MEETINGS**

- 12.1 The directors shall appoint a Directors' Chairman to chair their meetings. The directors may terminate the Directors' Chairman's appointment at any time.
- 12.2 If the Directors' Chairman is not participating in a directors' meeting within 30 minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

13. **CASTING VOTE**

- 13.1 If the numbers of votes for and against a proposal are equal at a meeting of the directors, the Directors' Chairman or other director chairing the meeting has a casting vote.
- 13.2 But this does not apply if, in accordance with **Article 11** or any restrictions imposed by the FCA, the Directors' Chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

14. **DIRECTORS' INTERESTS**

14.1 Subject to these Articles, the 2006 Act and any requirements of the FCA, and provided that he has disclosed to the other directors the nature and extent of any interest of his, a director:

14.1.1 may hold any other office or employment with the Company (other than the office of auditor); and

14.1.2 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor).

14.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which a director or any other interested director may have, or where the terms of authorisation of such conflict provide that a director may not vote in situations prescribed by the directors when granting such authorisation, and subject in each case to any restrictions imposed by the FCA with respect thereto, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles** Error! Reference source not found. **to 14.1.2** and in any of the circumstances set out in **Article 14.3**. For the avoidance of doubt, pursuant to section 175(4) of the 2006 Act, the directors may authorise any conflict of interest which an interested director may have.

14.3 The circumstances referred to in **Article 14.2** are:

14.3.1 the company by ordinary resolution disapplies any provision of these Articles which would otherwise prevent a director from being counted as participating in the decision-making process; or

14.3.2 the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest.

14.4 For the purposes of these Articles references to decision making processes include any directors' meeting or part of a directors' meeting.

14.5 For the purposes of **Article 14.1**:

14.5.1 a general notice given in accordance with the 2006 Act is to be treated as a sufficient declaration of interest;

14.5.2 a director is not required to declare an interest either where he is not aware of such interest or is not aware of the transaction or arrangement in question; and

14.5.3 an interest of a director who appoints an alternate director shall be treated as an interest of the alternate director.

14.6 Subject to **Article 14.7**, 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 Directors' Chairman or other director chairing the meeting whose ruling in relation to any director other than the Directors' Chairman or other director chairing the meeting is to be final and conclusive.

14.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Directors' Chairman or other director chairing the meeting, the question is to be decided by a decision of the directors at that meeting, for which purpose the Directors' Chairman or other director chairing the meeting is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

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 these 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. **NUMBER OF DIRECTORS**

17.1 The number of directors shall not be less than five (5).

18. **APPOINTMENT AND REMOVAL OF DIRECTORS**

18.1 Any person who is willing to act as a director, and is permitted by law to do so and has obtained the necessary approval from the FCA to act as such, may be appointed a director by a decision of the directors.

18.2 A person ceases to be a director as soon as:

18.2.1 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;

18.2.2 a bankruptcy order is made against that person;

- 18.2.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 18.2.4 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; or
- 18.2.5 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. **DIRECTORS' REMUNERATION**

19.1 Subject to these Articles, a director's remuneration may:

19.1.1 take any form, and

19.1.2 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.

19.2 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

19.3 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.

20. **DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the directors properly incur in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company in accordance with any expenses policy of the Company as is approved by the directors from time to time.

21. **DIRECTORS' POWERS**

The directors may procure that the Company borrow and raise money by way of borrowings on behalf of the Company without allowing any prospective lender a right to participate in the share capital of the Company as a condition of any such borrowing or to take any Encumbrance over any of the Shares.

22. **ALTERNATE DIRECTORS**

22.1 **Appointment and removal of alternates**

22.1.1 Any director (the "appointor") may appoint as an alternate any other director of the Company to:

22.1.1.1 exercise that director's powers; and

22.1.1.2 carry out that director's responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate's appointor.

22.1.2 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.

22.1.3 The notice must:

22.1.3.1 identify the proposed alternate; and

22.1.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

22.2 **Rights and responsibilities of alternate directors**

22.2.1 An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate's appointor.

22.2.2 An alternate director may act as an alternate director for more than one appointor.

22.2.3 Except as these Articles specify otherwise, alternate directors:-

22.2.3.1 are liable for their own acts and omissions;

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

22.2.3.3 are not deemed to be agents of or for their appointors.

and, 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.

22.2.4 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.

22.2.5 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.

22.3 **Termination of alternate directorship**

22.3.1 An alternate director's appointment as alternate terminates:

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

22.3.1.2 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;

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

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

23. **ALTERNATE DIRECTORS' EXPENSES**

Article 20 shall apply in relation to alternate directors.

SHARES AND DISTRIBUTIONS

24. **ALL SHARES TO BE FULLY PAID UP**

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. **POWER TO ISSUE DIFFERENT CLASSES OF SHARES**

25.1 Subject to these 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.

25.2 Subject to these Articles, but without prejudice to the rights attached to any existing Share, 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.

26. **ISSUES OF SHARES AND PRE-EMPTION RIGHTS**

26.1 For the purposes of section 551 of the 2006 Act, the directors are generally and unconditionally authorised to allot:

26.1.1 A Shares in the Company or to grant rights to subscribe for, or to convert any security into, A Shares up to a maximum nominal value of £33; and

26.1.2 B Shares in the Company or to grant rights to subscribe for, or to convert any security into, B Shares up to a maximum nominal value of £7,200,000,

provided that this authority shall expire five (5) years after the adoption of these Articles, unless previously renewed, revoked or varied except that the Company may, before such expiry, make an offer or agreement which will or may require the allotment of Shares or the grant of rights to subscribe for, or convert any security into, shares in the Company, after such expiry.

26.2 In accordance with section 551(1) of the 2006 Act, any issue or allotment of shares in the Company or any grant of rights to subscribe for, or to convert any security into, A Shares or B Shares, respectively, above the maximum respective nominal value stipulated under **Article 26.1** must be approved by ordinary resolution of the Company.

26.3 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562 (1) to (5) (inclusive) of that Act shall not apply to the Company.

27. **RIGHTS ATTACHING TO THE SHARES**

27.1 Save as otherwise provided in these Articles, the A Shares and the B Shares shall be treated as if they constituted one class of Share.

27.2 The B Shares shall not entitle any holder thereof to the payment of any dividend or other distribution of income or, subject to **Article 43.1**, capital, or otherwise.

27.3 The B Shares shall not entitle any holder thereof to receive notice of, or to attend or vote at, general meetings of the Company.

- 27.4 Subject to the provisions of the Statutes, the B Shares held by any shareholder shall be redeemed by the Company on the Withdrawal Date with respect to that shareholder at par value.
- 27.5 Subject to the provisions of the Statutes, the Company may with the prior written consent of the holders of 75% of the A Shares redeem all or some of the B Shares in advance of the due date for redemption as specified in **Article 27.4** at par value.
- 27.6 On the date fixed for any redemption the Company shall, subject to the Statutes, pay to each shareholder whose B Shares are to be so redeemed an amount equal to the par value of the B Shares to be redeemed and upon receipt of that amount each such shareholder shall surrender to the Company the certificate(s) for the B Shares to be redeemed. If any certificate surrendered is for more B Shares than are to be redeemed at that time the Company shall issue to the holder free of charge a new certificate for the balance of the Shares not redeemed.
- 27.7 Where the Company is precluded by the Statutes or otherwise by law from redeeming any B Shares on the due date for redemption, then:
- 27.7.1 the Company shall redeem, on that date, as many of the B Shares which can then, consistently with the Statutes, be redeemed by the Company; and
- 27.7.2 as soon as the Company is no longer precluded from doing so, the Company shall in respect of the B Shares not redeemed, redeem the maximum number of B Shares which can, consistently with the Statutes, properly be paid by the Company at that time.
- 27.8 The special rights conferred by the B Shares shall be deemed not to be modified or abrogated by the creation or issue of further Shares ranking pari passu or in priority to or subordinate to the B Shares.

28. **PURCHASE OF OWN SHARES**

- 28.1 Following any purchase by the Company of its own Shares in accordance with the provisions of the 2006 Act, and/or in accordance with the requirements of these Articles, all the purchased Shares shall be immediately cancelled.
- 28.2 Subject to the 2006 Act, but without prejudice to any other provision of these Articles, the Company may purchase or redeem its own Shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 28.2.1 £15,000; and

28.2.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

29. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

29.1 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 these Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

30. SHARE CERTIFICATES

30.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the Shares which that shareholder holds.

30.2 Every certificate must specify:

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

30.2.2 the nominal value of those Shares;

30.2.3 that the Shares are fully paid; and

30.2.4 any distinguishing numbers assigned to them.

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

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

30.5 Certificates must:

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

30.5.2 be otherwise executed in accordance with the Companies Acts.

31. REPLACEMENT SHARE CERTIFICATES

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

31.1.1 damaged or defaced, or

31.1.2 said to be lost, stolen or destroyed,

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

31.2 A shareholder exercising the right to be issued with such a replacement certificate:

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

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

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

32. **RESTRICTIONS ON TRANSFER**

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

33. **TRANSFERS NULL AND VOID**

33.1 Except for a purchase by the Company of its own Shares, or a redemption by the Company of the B Shares, in each case in accordance with the provisions of the 2006 Act and these Articles, any transfer or purported transfer of a Share shall be null and void and of no effect.

34. **SHAREHOLDER WITHDRAWAL**

34.1 Where any shareholder proposes to withdraw as a shareholder of the Company, such withdrawing shareholder shall provide at least 12 months' notice of such withdrawal to the Company, such notice to expire on 31 March of any given year (the "**Withdrawal Date**").

34.2 On the Withdrawal Date, the Company shall purchase any A Shares held by the relevant withdrawing shareholder(s) at par value in accordance with Part 18 of the 2006 Act.

35. **DEEMED TRANSFERS TO THE COMPANY**

35.1 If a shareholder, or other person entitled to transfer a Share (otherwise than in accordance with these Articles), at any time attempts to transfer, deal with or dispose of a Share or any legal or beneficial interest in such Share otherwise than in accordance with **Article 27** (*Rights attaching to Shares*) (in relation to the redemption of B Shares) or **Article 34** (*Shareholder Withdrawal*), or if any of the events specified in **Article 35.3** or **Article 35.4** occurs in respect of a shareholder, the provisions of **Article 35.2** shall apply.

- 35.2 Where **Article 35.1** applies to any shareholder, such shareholder shall be deemed to have given a transfer notice on the occurrence of such attempt or event in favour of the Company and to have specified in such transfer notice as the price per Share, the par value of each Share and the Company shall implement such transfer by way of purchase or redemption of such Shares in accordance with the 2006 Act.
- 35.3 **Article 35.2** shall apply on the occurrence of any of the following events:
- 35.3.1 any direction (by way of renunciation, nomination or otherwise) by a shareholder entitled to an allotment or transfer of Shares to the effect that such Shares or any of them be allotted or issued or transferred to some person other than himself; or
- 35.3.2 any sale, dealing with or other disposition of any beneficial interest in a Share (whether or not for consideration or otherwise) by whomsoever made and whether or not effected by an instrument in writing except where the disposition is by service of a transfer notice in accordance with these Articles.
- 35.4 For the purpose of ensuring that no circumstances have arisen whereby a transfer notice is deemed to be given or is required to be served, the directors may from time to time require any shareholder or past shareholder to furnish to them such information and evidence as the directors may reasonably think fit regarding any matter which they consider relevant to establish whether any circumstances have arisen whereby a transfer notice is required to be served. Failing such information being furnished to the reasonable satisfaction of the directors within a reasonable time after it has been requested, or if in the reasonable opinion of the directors any such information or evidence is false in any material respect, the directors may declare by notice in writing to the relevant shareholder that a transfer notice shall be deemed to have been given in respect of any relevant Shares and **Article 35.2** shall apply in respect of any Shares held by such shareholder.
- 35.5 For the purpose of **Articles 35.1 to 35.4** inclusive, the word "shareholder" includes any former shareholder.

35.6 **REGISTRATION OF TRANSFERS**

The Directors shall refuse to register any transfer of a Share.

DIVIDENDS AND OTHER DISTRIBUTIONS

36. **PROCEDURE FOR DECLARING DIVIDENDS**

- 36.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 36.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 36.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 36.4 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 shareholders' holding of Shares on the date of the resolution or decision to declare or pay it.
- 36.5 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. **PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 37.1 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:
- 37.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 37.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address;
 - 37.1.3 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
 - 37.1.4 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.
- 37.2 In these Articles, "the distribution recipient" means, in respect of a Share in respect of which a dividend or other sum is payable:
- 37.2.1 the holder of the Share; or
 - 37.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of members.

38. NO INTEREST ON DISTRIBUTIONS

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

38.1.1 the terms on which the Share was issued, or

38.1.2 the provisions of another agreement between the holder of that Share and the Company.

39. UNCLAIMED DISTRIBUTIONS

39.1 All dividends or other sums which are:

39.1.1 payable in respect of Shares, and

39.1.2 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.

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

39.3 If:

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

39.3.2 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.

40. NON-CASH DISTRIBUTIONS

40.1 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).

40.2 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:

40.2.1 fixing the value of any assets;

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

40.2.3 vesting any assets in trustees.

41. WAIVER OF DISTRIBUTIONS

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

41.1.1 the Share has more than one holder, or

41.1.2 more than one person is entitled to the Share,

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.

CAPITALISATION OF PROFITS

42. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

42.1 Subject to these Articles, the directors may, if they are so authorised by an ordinary resolution:

42.1.1 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

42.1.2 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.

42.2 Capitalised sums must be applied:

42.2.1 on behalf of the persons entitled; and

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

42.3 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.

42.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

42.5 Subject to these Articles the directors may:

42.5.1 apply capitalised sums in accordance with **Articles 42.3** and **42.4** partly in one way and partly in another;

42.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this **Article 42** (including the issuing of fractional certificates or the making of cash payments); and

42.5.3 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 42**.

43. **RETURN OF CAPITAL RIGHTS**

43.1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this **Article 43**. On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt any debts arising from non-payment of cumulative dividends) shall be applied in the following order of priority:

43.1.1 first, in paying to each holder of A Shares and B Shares in respect of each A Share and B Share of which it is the holder, a sum equal to the par value thereof; and

43.1.2 the balance of such assets (if any) shall be distributed amongst the holders of the A Shares according to the amount paid up or credited as paid up on each such A Share.

ORGANISATION OF GENERAL MEETINGS

44. **NOTICE OF GENERAL MEETINGS**

Every notice convening a general meeting shall:

44.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and

44.2 be given in accordance with section 308 of the 2006 Act but shall not be given by means of a website.

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. **CHAIRING GENERAL MEETINGS**

- 46.1 If the Shareholders have appointed a Shareholders' Chairman, the Shareholders' Chairman shall chair general meetings if present and willing to do so.
- 46.2 If the Shareholders have not appointed a Shareholders' Chairman, or if the Shareholders' Chairman is unwilling to chair the meeting or is not present within 30 minutes of the time at which a meeting was due to start, the meeting must appoint a director or shareholder to chair the meeting by simple majority, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 46.3 The person chairing a meeting in accordance with this **Article 46** is referred to as "the chairman of the meeting".

47. **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

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

- 47.2 The chairman of the meeting may permit other persons who are not:
- 47.2.1 shareholders of the Company, or
 - 47.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

48. **QUORUM AT GENERAL MEETINGS**

- 48.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present.
- 48.2 A quorum shall consist of one third in number of the shareholders of the Company for the time being present by proxy or by representative.
- 48.3 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned until such other day and at such other place as the chairman of the meeting may determine (or, if the chairman does not so determine any outstanding business to be discussed at the meeting shall be adjourned to the next general meeting) and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same such adjourned general meeting, the general meeting shall be dissolved.

VOTES OF SHAREHOLDERS

49. **VOTING: GENERAL**

- 49.1 A resolution put to the vote of a general meeting must be decided on a show of hands. No resolution shall be decided on a poll.

50. **ERRORS AND DISPUTES**

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

51. **CONTENT OF PROXY NOTICES**

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

- 51.1.1 states the name and address of the shareholder appointing the proxy;
 - 51.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
 - 51.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - 51.1.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 51.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 51.3 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.
- 51.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 51.4.1 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
 - 51.4.2 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.

52. **DELIVERY OF PROXY NOTICES**

- 52.1 A person who is entitled to attend, speak or vote 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.
- 52.2 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.
- 52.3 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.
- 52.4 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.

53. **AMENDMENTS TO RESOLUTIONS**

- 53.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 53.1.1 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
 - 53.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 53.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 53.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 53.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 53.3 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.

54. **WRITTEN RESOLUTIONS**

- 54.1 A written resolution, proposed in accordance with section 288(3) of the Companies Act 2006, will lapse if it is not passed before the end of the period of 40 days beginning with the circulation date.
- 54.2 For the purposes of this **Article 54** "circulation date" is the date on which copies of the written resolution are sent or submitted to shareholders or, if copies are sent or submitted on different dates, to the first of those dates.

55. **NUMBER OF VOTES**

- 55.1 Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a written resolution every holder of A Shares has one vote in respect of each A Share held by him and on a show of hands at a general meeting every holder of A Shares entitled to vote and who is present by a representative has one vote.

ADMINISTRATIVE ARRANGEMENTS

56. **COMPANY COMMUNICATION PROVISIONS**

- 56.1 Where:-

56.1.1 a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and

56.1.2 the Company is able to show that it was properly addressed, prepaid and posted,

it is deemed to have been received by the intended recipient 48 hours after it was posted (unless the Company can demonstrate that such properly addressed (to an address in the United Kingdom) and posted document or information was prepaid by first class post in which case it shall be deemed to have been received by the intended recipient 24 hours after it was posted).

56.2 Where:-

56.2.1 a document or information is sent or supplied in electronic form, and

56.2.2 the Company is able to show that it was properly addressed,

it is deemed to have been received by the intended recipient immediately after it was sent.

56.3 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by **Articles 56.1 and 56.2.**

56.4 Subject to any requirements of the 2006 Act, documents and notices may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

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 57**, 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, 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. DIRECTORS' INDEMNITY AND INSURANCE

59.1 Subject to, and so far as may be permitted by, the 2006 Act and the FCA Rules and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or of any such associated company and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(b) of the 2006 Act.

59.2 Subject to the 2006 Act the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or associated company.

60. REGISTERED OFFICE

The Company's registered office is to be situated in England and Wales.

61. LIMITED LIABILITY

The liability of the members is limited.