

**DATED** \_\_\_\_\_

**(1) << Name of Party 1 >>**

**(2) << Name of Party 2 >>**

**(3) << Name of Parent of Party 1 >>**

**(4) << Name of Parent of Party 1 >>**

## **CORPORATE JOINT VENTURE AGREEMENT**

**THIS AGREEMENT** is made the << Day >> day of << month and year >>

**BETWEEN:**

- (1) << Name of Party 1 >> a company registered in << Country of Registration >> under number << Company Registration number >> whose registered office is at << Registered office >> (hereinafter known as “<< >>”) and
- (2) << Name of Party 2 >> a company registered in << Country of Registration >> under number << Company Registration number >> whose registered office is at << Registered office >> (hereinafter known as “<< >>”)
- (3) << Name of Parent of Party 1 >> a company registered in << Country of Registration >> under number << Company Registration number >> whose registered office is at << Registered office >>
- (4) << Name of Parent of Party 2 >> a company registered in << Country of Registration >> under number << Company Registration number >> whose registered office is at << Registered office >> (hereinafter known as the “Parents”)

**IT IS AGREED** as follows:

**1. Introduction**

- 1.1 << Party 1 >> carries on [in the United Kingdom] the business of << business type >>.
- 1.2 << Party 2 >> carries on [in the United Kingdom] the business of << business type >>.
- 1.3 The parties wish to participate in and operate the Company as a joint venture company to carry on the Business on the terms and conditions of this Agreement.
- 1.4 The Company, details of which are set out in Schedule 1, has not traded and has no assets or liabilities.
- 1.5 << Name of Parent of Party 1 >> Holdings and << Name of Parent of Party 2 >> Holdings are the ultimate Holding Companies of << Party 1 >> and << Party 2 >> respectively, and have agreed to enter into this Agreement in order to guarantee the obligations undertaken under this Agreement by, << Party 1 >> and << Party 2 >> respectively.

**2. Definitions and Interpretation**

- 2.1 In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:

<b>“A Director”</b>	a director of the Company appointed in accordance with the Articles by the holders of a majority in nominal value of the A Shares;
<b>“the Ancillary Agreements”</b>	the agreements referred to in Clause 5.5;

<b>“the Annual Business Plan”</b>	the annual business plan of the Company adopted in Clause 8.5(c);
<b>“the Articles”</b>	the new Articles of Association of the Company adopted pursuant to Clause 8.5(c); the same may be amended from time to time;
<b>“A Share”</b>	an A share of the Company;
<b>“the Auditors”</b>	the auditors of the Company;
<b>“B Director”</b>	a director of the Company appointed in accordance with the Articles of Association of the Company in a majority in nominal value of the B Shares;
<b>“Bankers Draft”</b>	a draft order for payment in full by a bank or a branch of that bank in the City of London for immediate credit to the account of the Company;
<b>“B Share”</b>	a B share of the Company;
<b>“the Board”</b>	the board of directors of the Company (referred to from time to time) of the Company;
<b>“the Business”</b>	the business of the Company as carried on from time to time; as referred to in Clause 3.2, as carried on from time to time;
<b>“Business Day”</b>	a day (other than a Sunday or public holiday) on which banks in the City of London are open for business; [and << Other City >>];
<b>“Completion”</b>	performance of the obligations of the Company under the Loan Stock;
<b>“Force Majeure”</b>	the meaning of the term “Force Majeure” as defined in Clause 17.1;
<b>“Group”</b>	in relation to the Company, the company and any other company which, at any time, is its Holding Company or subsidiary of any such company; the term “Group” shall be construed accordingly;
<b>“Group Relief”</b>	has the meaning of the expression in Section 402(1) of the Income Tax Act 2006 as amended by Section 402(3) of the Income Tax Act 2006;
<b>“Holding Company and Subsidiary”</b>	have the meaning of the expression “Holding Company and Subsidiary” as defined in the Companies Act 2006;
<b>“ICTA”</b>	the Income Tax Act 1988;
<b>“the Initial Loan Stock”</b>	the Loan Stock issued pursuant to Clause 5.4(e) and Clause 5.4(f);
<b>“Loan Stock”</b>	[unsecured loan stock] issued pursuant to the Loan Stock Instrument;
<b>“the Loan Stock Instrument”</b>	the instrument issued pursuant to Clause 5.4(d);

**“the Management Committee”**

**“the Memorandum”**

**“Ordinary Share”**

**“the Parents”**

**“the Parties”**

**“Reserved Matter”**

**“Restricted Information”**

**“Shares”**

**[“the Share Transfer Provisions”**

**“the Territory”**

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### 3. The Joint Venture

3.1 The Parties shall promote t  
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3.2 The business of the Company shall not be varied, altered, discontinued, or such variation, extension or limitation may be made from time to time in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Company.

#### 4. **[Conditions]**

4.1 The provisions of this Agreement shall be conditional on:-

- a) [the terms of this Agreement and the completion of the business of each of the Parties by an ordinary resolution of the Board of Directors of the Company]
- b) the obtaining of any necessary approvals, permits, licences, consents, or the completion, the promotion of the business of the Company by the Company.

4.2 The Parties shall use all reasonable endeavours to procure that the conditions specified in Clause 4.1 are fulfilled.

4.3 Subject as provided in Clause 4.1, if the conditions specified in Clause 4.1 are not duly fulfilled on the date of the execution of this Agreement shall ipso facto terminate and no party shall be liable to the other.

#### 5. **Completion**

5.1 [Within << Number >> Business Days of the date of the execution of this Agreement], the parties shall complete the fulfilment [or waiver] of the conditions set out in Clause 4.1 on the execution of this Agreement, under Clauses 5.3, 5.4 and 5.5.

5.2 Completion shall take place at 12 noon, or at such other time and place as the Parties may agree.

5.3 The Parties shall procure that the general meeting of the Company is duly convened and there are proposed and passed:-

- a) special resolutions of the Company:
  - (i) change the name of the Company from "<< Name of company >>" to "<< Name of company >>";
  - (ii) adopt, subject to the provisions of this Clause 5.3, the resolutions referred to in the form set out in Schedule 3;
  - (iii) convert each << Number >> B Shares into an A Share [and a B Share];
- b) an ordinary resolution of the Company to authorise the Board for the purposes of Section 206 of the Companies Act 2006 to allot and issue the Shares referred to in Clause 5.4 (c) on the terms referred to therein.

5.4 Forthwith upon the provision of the conditions specified in Clause 5.3, the Parties shall comply with:-

- a) the issued A Shares of the Company to be << Name of Party >> [and the issued B Shares of the Company to be << Name of Party >>], in either case] for nil consideration;
- b) << Name of Party >> to issue << Number >> A Shares [for cash at par];
- c) << Name of Party >> to issue << Number >> B Shares [for cash at par];



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| <p>b) the [Parties] [Parents] shall ensure that the respective Groups have the number of Shares held by them at the relevant time, or the &lt;&lt; percentage &gt;&gt; percentage of the Shares of the Company, as the Name of bank &gt;&gt; Bank may have agreed; or</p> <p>c) the Parties shall provide the Shares or Loan Stock of the Company of Shares held by each of them.</p>  | <p>that a Member of their respective Groups shall be entitled to the Company pro rata to the number of Shares held by their respective Groups at the relevant time, or the &lt;&lt; percentage &gt;&gt; percentage of the Shares of the Company, as the Name of bank &gt;&gt; Bank may have agreed; or</p> <p>the Parties shall provide the Shares or Loan Stock of the Company of Shares held by each of them.</p>  |
| <p>6.2 Where the Board seeks to obtain such loans, the [Parents] shall use its best endeavours to obtain such loans on normal commercial terms:-</p> <p>a) if commercially possible;</p> <p>b) if it is not otherwise possible, the [Party] [Parent] shall ensure that the Company, the relevant [Parties] [Parents] under such guarantees be provided, as far as possible, pro rata to the nominal value of [the shareholdings] [the shareholdings of their respective Subsidiaries] at the relevant time or, if so required by the lender.</p>   | <p>the [Parties] [Parents], each of the [Parties] [Parents], shall use its best endeavours to obtain such loans on normal commercial terms:-</p> <p>a) if commercially possible;</p> <p>b) if it is not otherwise possible, the [Party] [Parent] shall ensure that the Company, the relevant [Parties] [Parents] under such guarantees be provided, as far as possible, pro rata to the nominal value of [the shareholdings] [the shareholdings of their respective Subsidiaries] at the relevant time or, if so required by the lender.</p>   |
| <p>6.3 If any joint and several guarantee is given by [Party] [Parent] shall keep the Company indemnified in respect of any liability arising out of such guarantee in respect of [their respective shareholdings] [the shareholdings of their respective Subsidiaries] in the Company.</p>  | <p>to Clause 6.2(b), each of the [Parties] [Parents], to the extent that any liability arising out of such guarantee in respect of [their respective shareholdings] [the shareholdings of their respective Subsidiaries] in the Company.</p>   |
| <p>6.4 [The [Parties] [Parents] shall ensure that the Company remains solvent at all times and shall remain solvent provided that:-</p> <p>a) the maximum aggregate amount of such loans under Clause 6.4 shall not exceed the amount of the nominal value of [the shareholdings] [the shareholdings of their respective Subsidiaries] in the Company;</p> <p>b) any additional funds contributed by the [Parties] [Parents] under such guarantees shall be contributed by the [Parties] [Parents] in proportion to the nominal value of [their shareholdings] [the shareholdings of their respective Subsidiaries] in the Company at the relevant time. In the event shall either [Party] [Parent] be required to contribute its due proportion of any such funds].</p> | <p>[The [Parties] [Parents] shall ensure that the Company remains solvent at all times and shall remain solvent provided that:-</p> <p>a) the maximum aggregate amount of such loans under Clause 6.4 shall not exceed the amount of the nominal value of [the shareholdings] [the shareholdings of their respective Subsidiaries] in the Company;</p> <p>b) any additional funds contributed by the [Parties] [Parents] under such guarantees shall be contributed by the [Parties] [Parents] in proportion to the nominal value of [their shareholdings] [the shareholdings of their respective Subsidiaries] in the Company at the relevant time. In the event shall either [Party] [Parent] be required to contribute its due proportion of any such funds].</p> |
| <p>7. <b>Offices and Services</b></p> <p>7.1 Unless and until otherwise determined by the Board, the business premises of the Company shall be provided by [Party] [Parent] (or any other Member of its Group) on such terms as may be agreed between &lt;&lt; Name of Party &gt;&gt; and the Company (or the relevant Member of its Group).</p> <p>7.2 Unless or until otherwise determined by the Board, the business premises of the Company shall be located at [Address] and shall be provided on the following terms:-</p> <p>a) the rental shall be £&lt;&lt; &gt;&gt; (inclusive);</p> <p>b) the Company shall be responsible for the cost of adapting the premises for its purpose; and</p>   | <p>7. <b>Offices and Services</b></p> <p>7.1 Unless and until otherwise determined by the Board, the business premises of the Company shall be provided by [Party] [Parent] (or any other Member of its Group) on such terms as may be agreed between &lt;&lt; Name of Party &gt;&gt; and the Company (or the relevant Member of its Group).</p> <p>7.2 Unless or until otherwise determined by the Board, the business premises of the Company shall be located at [Address] and shall be provided on the following terms:-</p> <p>a) the rental shall be £&lt;&lt; &gt;&gt; (inclusive);</p> <p>b) the Company shall be responsible for the cost of adapting the premises for its purpose; and</p>   |

- c) either << Name of >> or the Company may terminate the arrangement upon giving << Number of months >> months written notice to the other.

7.3 Office administration and coordination shall, subject to either << Name of Party >> or the Company, be provided by << Name of Party >> for not less than << Number of months >> months' notice by << Name of Party >>, which shall be entitled to compensation on such basis as may from time to time be agreed with the Company on such basis as may from time to time be agreed with the Company. << Name of Party >> shall be responsible for providing those services. << Name of Party >> shall be responsible for the reasonable expenses incurred in providing those services.

7.4 Where any Party or any Member of the Company, the terms of employment of any personnel available to the Company, the terms of employment of any personnel available to the Company, whether such personnel are employed by the Company, shall be determined by and agreed between the Parties. Where such personnel are seconded, the Company shall be responsible for supplying such personnel all employment costs (including salary, pension, national insurance and the cost of any other benefits) during the period of such secondment.

## 8. Management of the Company

8.1 The following persons shall be the Directors of the Company pursuant to the Articles:-

A Directors	
<< Name >>	
<< Name >>	
<< Name >>	

8.2 << Name >> shall be appointed as a Director of the Board pursuant to the Articles.

8.3 The Board shall appoint for the purposes of Clauses 8.4 and 8.5:-

- a Chief Executive (who shall be a director) on such terms as it may think fit, the name of the Chief Executive shall be << Name >>; and
- a Management Committee consisting of the Chief Executive, one A Director and one B Director.

8.4 The Chief Executive shall:-

- be responsible for the management of the business of the Company within the limits of the Business Plan approved by the Board;
- report to the Board in such manner as may be required by the Board;
- be entitled to attend and speak at Board meetings but shall not vote or be counted in the majority of the Board;
- comply with all decisions of the Board.

8.5 The Management Committee shall perform such duties as may be required by the Board:-

- perform such duties as may be required by the Board;



- b) have the power to do all such things as may be necessary for the carrying on of the business of the Company (including A Directors and B Directors) as it thinks fit in the management of the Company; and
- c) cause to be prepared and laid before the Board an annual business plan outlining the proposed business of the Company; and
- d) comply with all decisions of the Board.
- 8.6 The Board shall, no later than the end of each financial period of the Company, cause to be laid before the Annual Business Plan.
- 8.7 Subject to Clause 14, each of the Parties shall, to the best of its ability, to make full disclosure to the Party appointing him of all matters which that Director may acquire in the course of his duties.
- 8.8 Meetings of the Board shall be held at such times and places as may be required or as requested by the Board (including either Party) but not in any event at intervals of more than [seven] clear Business Days calculated from the date of Completion. Unless otherwise agreed in writing, all the Directors, at least [seven] clear Business Days before the meeting, [and unless all the Directors agree otherwise no matters shall be resolved at any meeting except those specified in the notice of the meeting].
- 8.9 [The quorum necessary to constitute a meeting of the Board shall be at least one A Director (or his alternate) and one B Director (or his alternate), but if within 15 minutes of the time appointed for a meeting a quorum is not present, then unless otherwise agreed in writing, at least one A Director and one B Director the meeting shall nevertheless proceed on the seventh [day] [Business Day] after the original date of the meeting, [and at the adjourned meeting the A Directors or B Directors, so present shall constitute a quorum of the Board and if no such quorum is present the adjourned meeting shall be held on the seventh [day] [Business Day] after the original date of the meeting].
- 8.10 [Any question arising at any meeting of the Directors shall be decided by a majority of votes of the Directors (or their alternates) present. [The Directors shall vote in person or by proxy and each Director shall between them carry a vote equal to that total number of Directors which that Party is entitled to appoint to the Board].

## 9. Reserved Matters

- 9.1 Except in respect of any matters which are specifically reserved in this Agreement the following matters shall require the approval of the Board for herein, for the purposes of this Agreement, the following Reserved Matters:-
- the creation or issue of any new shares or convertible into shares of the Company;
  - the grant of any option or other right to subscribe for any share or loan of the Company;
  - the consolidation, sub-division or reorganisation of any rights attached to any share capital of the Company or the redemption by the Company of its own shares, the redemption of any loan of the Company or the capitalisation of any profits of the Company or the reorganisation of any part of the assets of the Company;

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| d) | the incorporation or reconstruction of the Company or the acquisition of the Company by another company;   | any or the subscription for securities or interest in any company;   |
| e) | the giving of any guarantee in connection with the business;   | in the ordinary course of business;  |
| f) | the declaration and payment of dividends in accordance with Clause 29;   | dividend otherwise than in accordance with Clause 29;  |
| g) | the appointment or removal of any Managing Director or Executive Director;   | Executive or (if there is one) Managing Director;  |
| h) | the grant to any person of any office or position in the Company, the entering into of any contract for the management of the Company or the payment of any management charges;  | appoint any director of the Company for the management of the Company and the payment charges;   |
| i) | the entering into of any joint venture or profit-sharing arrangement with any person;  | joint venture or profit-sharing arrangement with any person;   |
| j) | the appointment or removal or re-appointment of the auditors of the Company;   | the auditors (other than the auditors of the Company);   |
| k) | the incurring of any expenditure by the Company:- <ul style="list-style-type: none"> <li>(i) which would result in the total expenditure for the year in excess of the amount provided for in the Business Plan;</li> <li>(ii) for any item exceeding £&lt;&lt; Amount &gt;&gt; even if so provided for in the Business Plan;</li> </ul> | the incurring into of any commitment which would result to cause overhead costs in excess of 10 per cent] the total expenditure for the year in excess of the amount provided for in the Business Plan; or exceeding £<< Amount >> |
| l) | the changing of any articles or conventions by the Company, otherwise than in order to comply with any applicable statutory provisions;  | the articles or conventions by the Company or in order to comply with any applicable statutory provisions;   |
| m) | the alteration of any resolution inconsistent with the Business Plan;  | the alteration of any resolution inconsistent with the Business Plan;  |
| n) | the provision of any loan or advance for any person other than in connection with the Business;  | loan or advance for any person other than in connection with the Business;   |
| o) | any [material] variation of the nature or scope of the Business;   | variation of the nature or scope of the Business;  |
| p) | the commencement of any proceedings or arbitration, other than routine debt recovery proceedings;  | proceedings or arbitration, other than routine debt recovery proceedings;  |
| q) | the purchase, lease or acquisition of any land or building for use in the Business and/or any other business which is substantial in relation to the Company;  | land or building for use in the Business and/or any other business which is substantial in relation to the Company;  |
| r) | the sale, lease, transfer or other disposition of the whole or a substantial part of the material asset of the Company to effect any of the foregoing;   | pledge or other disposition of the whole or a substantial part of the Company's undertaking or any material asset of the Company to effect any of the foregoing;   |
| s) | any transaction between the Company and any Party (or any Member of its Group) otherwise than in the ordinary course of business;  | any Party (or any Member of its Group) otherwise than in the ordinary course of business;  |
| t) | the presentation of any resolution for the Company to be put in a general meeting of the Company to be wound up; and   | of any resolution for the Company to be wound up; and  |

- u) the borrowing of any money by the Company without the guarantee, indemnity or security.
- 9.2 No Reserved Matter shall be proposed or passed by the Company:-
- a) which under the Articles requires the approval of the Board, unless a majority of the Directors (including the holder of the "A" shares or by proxy) in favour of the resolution; or
- b) which under the Articles requires the approval of the Parties, unless both the holder of the "A" shares and the holder of the "B" shares vote in favour of the resolution.
- 9.3 If at any time [after the << Date >> of this Agreement], a Reserved Matter is duly proposed
- a) give notice in writing to the other Party within 30 days after the date of the proposal of the Reserved Matter that the Parties shall seek to resolve the issue by agreement within a further period of 30 days after the date of service of the notice;
- b) if within that further period a resolution on that Reserved Matter, with such amendments as may be agreed, has not been passed, or the notice has been withdrawn, the other Party shall be deemed to have given its consent to the Share Transfer Provisions on the date of the notice.
- 9.4 If the offer of Shares in a sale pursuant to Clause 9.3(a) is not accepted within the period pursuant to Clause 9.3(a) or the offer is not accepted pursuant to the Share Transfer Provisions, the offer shall expire at the end of the period.
- 9.5 If the offer of Shares in a sale pursuant to Clause 9.4 is not accepted within the period, the offer shall expire at the end of the period.

## 10. Administration

Unless otherwise agreed by the Board, the following shall apply:

- a) the secretary of the Company shall be << Secretary >>;
- b) the registered office of the Company shall be << Address >>;
- c) the first auditors of the Company shall be << Auditors >>;
- d) the accounting reference date shall be << Date >>; and
- e) the Company's bankers shall be << Bankers >>;

## 11. Dividends

- 11.1 Subject to the provisions of the Companies Act 2006, there shall be distributed by way of dividend to the holders of the "A" shares << Percentage >> per cent] of the distributable profits of the Company for each accounting period.
- 11.2 If so required by either Party, the Company shall enter into a dividend agreement with the other Party under Section 247(1) of the Companies Act 2006. If the Company shall not be required to do so by notice in

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## 12. Taxation

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- amount of reliefs which the Party shall accept.
- 12.7 Where a notice is given pursuant to Clause 12.2 the Company shall forthwith notify the other Parties and all the Parties shall give all such consents and approvals that shall be required to ensure that Group Relief is given accordingly.
- 12.8 If, after any payment has been made by the Company, the Company is unable to obtain Group Relief for the value of the relief surrendered, whether by reason of the withdrawal of the relief or otherwise than by reason of any company (other than the Company) failing to do such things as are necessary to ensure that the relief is given, the Party shall repay to the Company so much of the amount as relates to the relief which the Company is unable to obtain.
- 12.9 For the purposes of this Clause 12.9 shall include a reference to any
- a) any reference to a Party shall include a reference to any Member of that Party
  - b) each Party's Group shall include any body corporate resident in the United Kingdom associated with the Party (within the meaning of the CTA).
- 13. Transfer of Shares**
- 13.1 No Party shall sell, transfer, assign, mortgage, encumber or otherwise dispose of any Share or any interest in a Share not in accordance with the provisions of this Clause 13.
- 13.2 A Party may transfer its shares in the Company provided that:-
- a) [the transfer is made in accordance with the Share Transfer Provisions;]
  - b) except in the case of a transfer to another Party to another, the proposed transferee must agree to assume the obligations of the transferor and any other Member of the Group under this Agreement and the Ancillary Agreements and to be bound by all the applicable provisions thereof, as if it were a Member of the Group;
  - c) where the Transferee is a company, the Transferee must be a Holding Company of its Group, and the Transferee must be approved by the other parties to this Agreement in writing with the other parties to this Agreement [and the Transferee must be bound by all the provisions of this Agreement applicable to the Parent of the Transferee];
  - d) any necessary consents are obtained from the other Parties to the transfer.
- 13.3 The Parties shall procure that the other Parties approve for registration any transfer of shares which complies with the provisions of this Clause 13, and shall not decline to approve for registration of any such transfer of Shares.
- 13.4 Upon any Party ceasing to be a Party to this Agreement, subject to compliance with the provisions of Clause 13.2:-
- a) all future obligations of the Party shall cease, except where the Shares are transferred to another Party, in which case the obligations of the Parent shall cease, and

- b) the Parties and the Company shall endeavour to procure the termination, in relation to the guarantee given to a Member of the Company:-
  - (i) by that Party;
  - (ii) where those Shares are transferred to another Member of that Group.

- 13.5 Any transfer of Shares pursuant to Clause 13.3, 18.2 or 18.5 shall be made on terms that:-
- a) the Shares shall be transferred free of all liens, charges and encumbrances and the Transferor shall discharge all liabilities relating to the Shares and the Loan Stock;
  - b) the Transferee shall, on completion of the transfer of the Shares and on the transfer of all Loan Stock owned by the Transferee, be responsible for the repayment of its Group, for a sum equal to [the aggregate of the principal and interest of the Loan Stock and all accrued and unpaid interest] and shall procure that the Company shall repay all other liabilities of the Company (or any of its Group) in respect of the Company's obligations in relation to the Shares and the Loan Stock to be transferred shall be set out in the Draft on completion of the Transfer;
  - c) the sums payable in relation to the Shares and the Loan Stock to be transferred shall be set out in the Draft on completion of the Transfer;
  - d) the Transferor shall ensure that the resignation of every Director appointed by the Company prior to the completion of the transfer of the Shares and the Loan Stock is required to give or make any representation or statement in connection with the transfer of Shares and the Loan Stock;
  - e) subject thereto, the Transferee shall not be required to give or make any representation or statement in connection with the transfer of Shares and the Loan Stock.

#### 14. Confidentiality

- 14.1 For the purposes of this Agreement, "Confidential Information" means, in relation to each party to this Agreement, any information which is disclosed to that party by the other party (whether or not in writing or any other medium, and whether the information is marked as confidential or not) pursuant to or in connection with this Agreement, and whether the information is marked as confidential or not.
- 14.2 The Recipient undertakes, except as provided by Clause 14.3 or as authorised by the Company, it shall, at all times during the continuance of the Agreement, and for a period of << Number >> years after its termination:-
- a) use its best endeavours to keep the Confidential Information confidential;
  - b) not to disclose any Restricted Information to any other person;
  - c) not use any Restricted Information for any purpose otherwise than as contemplated by and for the purposes of this Agreement;
  - d) not make any copies of or part with possession of any Restricted Information;
  - e) ensure that none of its directors, employees, agents or advisers does any act in breach of the provisions of (a) to (d).

14.3 The Recipient may:-

- a) disclose any Restricted Information to:
  - (i) any sub-contractor of the Recipient;
  - (ii) any bona fide supplier of the Recipient's Shares;
  - (iii) any governmental or regulatory body; or
  - (iv) any employee or agent of any of the aforementioned persons;to such an extent or on such terms as may be required by this Agreement, and in each case (except where the disclosure is required by law or where the disclosure is made to the Recipient first obtaining a written consent from the person in question, and in each case on the terms of this Clause, to keep the Restricted Information confidential and to use it only for the purposes for which it was disclosed and submitting to the same conditions as those to which the Informant is subject); or
- b) use and Restricted Information, or disclose it to any other person, to the extent that:
  - (i) [the Recipient was known to the Informant at the time it was disclosed by the Informant]; or
  - (ii) [after being disclosed to the Recipient by the Informant in breach of any obligation of confidentiality];
- c) it is at the date of disclosure, or at any time after that date, becomes, public knowledge, or is so made known to the Recipient, provided that in do so the Recipient does not disclose any part of the Restricted Information which is not already in the public domain.

14.4 The provisions of this Clause 14 shall apply in full force in accordance with their terms, notwithstanding any agreement to the contrary.

15. **Competition**

15.1 Each Party undertakes with the other Party that it will not, and will procure that no Member of its Group holds, or indirectly carry on or be

- a) in the Territory that covers the business of the other Party; or
- b) which competes with the business of the other or a Member of its Group.

15.2 Nothing in this Clause 15 shall prevent any Member of its Group

- a) being or becoming the holder of not more than 20 per cent of the shares of any company listed on a recognised stock exchange;
- b) acquiring any shares in any business or company, or having any other interest in any business or company, provided that the business of that company is not the same as the business of that company.

acquisition of that part of the business in question is not the principal reason for the acquisition of that part of the business of that Member of its Group. The Member shall keep such offer open for a period of 90 days].

15.3 Each Party undertakes with the other Party that it shall not, for so long as it owns any Shares, solicit or entice away from that other Party or the Company, whether or not in breach of contract by leaving him

- a) solicit or entice away from that other Party or the Company any person who is or has at any time within one year of the date of the acquisition of that part of the business of that Member of its Group been a customer, client, agent or correspondent of that other Party or the Company;
- b) solicit or entice away from that other Party or the Company any person who is or has at any time within one year of the date of the acquisition of that part of the business of that Member of its Group been a customer, client, agent or correspondent of that other Party or the Company, whether or not in breach of contract by leaving him

## 16. Guarantees

16.1 Each of the Parents ("the Guarantors") irrevocably and jointly and severally guarantees to each of the Other Parties ("the Obligors") and (as primary obligor and not merely as a guarantor) to indemnify each of the Other Parties against any loss, damage or expense arising out of any default or breach of contract by any Party which is a Member of the Group ("the Obligor") in:-

- a) the due and punctual performance of all sums due by the Obligor under this Agreement;
- b) the due and punctual performance of all other obligations of the Obligor under this Agreement.

16.2 The Guarantor undertakes with the Other Parties that:-

- a) if the Obligor defaults under this Agreement, the Guarantor shall [forthwith upon] written demand pay to that Other Party the sum owing to any of the Other Parties under this Agreement and without deduction of any set off or counterclaim or other amount lawfully required by law; and
- b) if the Obligor defaults under this Agreement, the Guarantor shall [within << Number >> days after] written demand pay to that Other Party the sum owing to any of the Other Parties under this Agreement and without deduction of any set off or counterclaim or other amount lawfully required by law; and

16.3 This guarantee is a continuing guarantee and shall remain in force so long as the Obligor has or may have any obligations under this Agreement.

16.4 This guarantee shall not be exonerated in any way by:-

- a) any time, indulgence or waiver granted to the Obligor;
- b) any modification to or variation, compromise or release of the Obligor under this Agreement;



- c) the availability to any other surety in respect of the Obligor's obligations; and
  - d) the bankruptcy, insolvency, liquidation, administration, liquidation or dissolution or any change of control of the Obligor;
  - e) [any failure, defect, omission or breach of the Obligor's obligations]
  - f) anything which any party may do or omit to do, or any other event or circumstance for which this provision would or might operate to affect the liability of the Guarantor.
- 16.5 The Guarantor waives any right of subrogation or reimbursement against the Obligor for the extent of the obligations of the Obligor under this Agreement.

## 17. Force Majeure

- 17.1 For the purposes of this Agreement, "Force Majeure" means any event or circumstance beyond the control of either party (including, without limitation, any strike, lockout, industrial action).
- 17.2 If any party is affected by Force Majeure, it shall not be liable to the other party for non-performance of any of its obligations under the Agreement [or any of the Ancillary Agreements], it shall not be liable to the other parties of its nature and extent.
- 17.3 No party shall be deemed to be in breach of this Agreement, or otherwise be liable to any other party, by reason of its non-performance, or the non-performance of any of its obligations under the Agreement, to the extent that the delay or non-performance is due to a Force Majeure event, which it has notified the other party in writing. The time for performance of the obligations shall be extended accordingly.
- 17.4 If the performance by any party is affected by Force Majeure, the parties shall enter into negotiations to mitigate the effects, or to agreeing upon a variation of the Agreement as may be fair and reasonable [any of the parties may terminate this Agreement by giving written notice to the other party].

## 18. Duration and Termination

- 18.1 Subject to the following provisions, this Agreement shall continue in force for a period of [ ] years from its date, and shall terminate at the end of that period unless the parties agree to continue in force.
- 18.2 If not less than 90 days before the expiry of the period provided in Clause 18.1 one of the Parties shall give the other Party written notice in writing that it wishes it to terminate this Agreement pursuant to this Clause, and the other Party may, at its discretion, give a further notice in writing to the other Party, which shall be deemed to have been given. The provisions of Clause 9.4 shall apply to the termination of this Agreement, and the necessary changes being made.
- 18.3 If:-

- a) an encumbrancer taking any interest in or over any part of the property or assets of the Company or any Subsidiary;
- b) either Party or any Subsidiary becoming subject to an administration order or a voluntary arrangement under the Insolvency Act 1986;
- c) either Party or any Subsidiary going into liquidation (except for a liquidation in connection with a reconstruction or amalgamation or re-construction of the company) or agreeing to be bound by any arrangement or agreement of that company;
- d) either Party or any Subsidiary ceasing, or threatening to cease, to carry on business;
- e) control of either Party or any Subsidiary being acquired by any person other than the Parties to this Agreement,

that Party shall forthwith give notice of the occurrence of that event to the other Party or, if it does not, the other Party becoming aware of the occurrence of that event to have done so upon the date of the notice.

18.4 The events specified in Clause 18.3 shall include, in relation to any company which is subject to the law of any jurisdiction, any event which under the law of that jurisdiction is not to any of the events so specified.

18.5 If either Party:-

- a) commits any breach of any of the provisions of this Agreement or of any other agreement entered into by it, and is capable of remedying the breach within 30 days after being given a written notice containing details of the breach and requiring it to be remedied; or
- b) gives or is deemed to give notice to the other Party pursuant to Clause 18.3,

the other Party shall be entitled to terminate this Agreement at the end of the 30 day period referred to in Clause 18.3 (or after it has been given such a notice should have been given such a notice to the first-mentioned Party:-

- (i) requiring it to sell its Shares and to transfer the same to the other Party within 30 days after the expiration of the 30 day period referred to in Clause 18.3 (or after it has been given such a notice should have been given such a notice to the first-mentioned Party:-
- (ii) requiring the Company to take all steps necessary to give effect to the provisions of the Transfer Provisions on which event the parties shall

18.6 If for any reason the Company shall be wound up, this Agreement shall thereupon terminate.

18.7 For the purposes of Clause 18.5, a breach of any of the provisions of this Agreement shall be considered capable of remedy if the party in breach is capable of remedying the breach within 30 days after being given a written notice containing details of the breach and requiring it to be remedied (provided that time of performance is not of the essence).

18.8 The rights given by this Clause shall not be deemed to prejudice any other right or remedy of either Party in respect of the breach (if any) or any other

breach, whether of this Agreement or any Ancillary Agreements.

## 19. Effects of Termination

19.1 If at any time any Member ceases to be a Party and no other Member becomes a Party, then within 28 days of that event the name of the Company shall be changed to include:-

- a) where a Member of the << Party 1 >> Group has ceased to be a Party, the word "Party 1 >>" or anything confusingly or deceptively similar shall not be used;
- b) where a Member of the << Party 2 >> Group has ceased to be a Party, the word "Party 2 >>" or anything confusingly or deceptively similar shall not be used;

and all appropriate stationery and documents incorporating such name or initials shall thereupon cease to be used.

19.2 Upon the termination of this Agreement:-

- a) [each Ancillary Agreement shall terminate to the extent otherwise specified therein], the terms of the respective terms];
- b) any provision of this Agreement shall continue in force after termination shall have effect; and
- c) subject as provided in the respective terms, the parties shall retain all accrued rights, the parties shall have no further obligation to each other.

## 20. Nature of Agreement

20.1 Subject as contemplated by this Agreement, the parties agree that this Agreement is personal to the parties and none of them shall create a charge (otherwise than by floating charge) or sub-licence or otherwise delegate any of its rights or obligations under this Agreement, except with the written consent of the other parties.

20.2 Nothing in this Agreement shall create, a partnership, joint venture or the relationship of principal and agent between the parties or any of them.

20.3 This Agreement contains the entire agreement between the parties with respect to its subject matter and shall be binding on the parties and except by an instrument in writing signed by the duly authorised signatories of the parties.

20.4 Each party acknowledges that it enters into this Agreement, it does not do so in consideration of or in reliance on any representation, warranty or other provision except as expressly stated in the Agreement, and all conditions, warranties or other terms implied by law are excluded to the fullest extent permitted by law.

20.5 If any provision of this Agreement is held by a court or other competent authority to be invalid or unenforceable in part, this Agreement shall continue to be valid and enforceable and the remainder of the Agreement shall not be affected.

20.6 No failure or delay by any party in exercising any of its rights under this Agreement shall be deemed to constitute a waiver of a breach

- of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach of the same.
- 20.7 Where any provision of this Agreement is expressly or by implication to the Company, the Parties shall be deemed to agree that the Company complies with that provision.
- 21. Arbitration**
- 21.1 Subject as provided in Clause 21.2, any dispute or difference between the parties relating to the rights or obligations of the parties under this Agreement (other than a failure to agree to arbitration in London of a dispute or, failing agreement between the parties, reference is made by any party to the President for the time being of the International Chamber of Commerce) shall be referred to the arbitration of the President of the International Chamber of Commerce within 30 days after a request for a reference is made by any party by application of any party by the President for the time being of the International Chamber of Commerce.
- 21.2 Clause 21.1 shall not preclude any party from making an application to the Court for injunctive relief.
- 22. Notices and Service**
- 22.1 Any notice or other information required to be given by this Agreement to be given by:-
- a) delivering it by hand;
  - b) sending it by pre-paid post (or airmail in the case of notices to any party);
  - c) sending it by telex, or other means of communication;
- to the relevant parties at the addresses given in Clause 22.4.
- 22.2 Any notice or information given in accordance with Clause 22.1(b) which is not returned to the sender shall be deemed to have been given on the date it was posted; and proof that the envelope containing it was so posted, and that it has not been so returned to the sender, shall be evidence that the notice or information has been duly given.
- 22.3 Any notice or information given in accordance with Clause 22.1(c) shall be deemed to have been duly sent on the date of transmission if a true and correct copy of it is sent as provided in Clause 22.1(b) and if it is sent to the addresses given in Clause 22.4 within 24 hours of the date of transmission.
- 22.4 Service of any document concerning or arising out of the Agreement shall be effected by any party by its registered or principal office, or to such other address as may be notified to it by that party in writing from time to time.
- 23. Miscellaneous**
- 23.1 Each party shall from time to time do all such acts and execute all such documents as may be required in order to give effect to the provisions of this Agreement.

- 23.2 The parties shall bear their own costs incidental to the preparation, execution and implementation of this Agreement.
- 23.3 Except as required by law or otherwise, no party shall make any public announcement concerning any aspect of this Agreement without the prior written agreement of the other parties to the text of that announcement.

24. **[Notification]**

As soon as practicable after the execution of that particulars of this Agreement, the parties shall procure that particulars of this Agreement are made available to the Director General of Fair Trading for [guidance] **OR** [a decision under section [13] **OR** [14] of the Competition Act 1998 and according to the provisions of this Agreement [other than this provision] [by reason of which the parties are required to be so notified, or those particulars are required to be so notified, come into force, and none of the parties shall give effect to the provisions of this Agreement until such step has been taken].

25. **Proper Law**

- 25.1 Subject as provided in Clause 25.2, the provisions of this Agreement (including any amendments arising therefrom or associated with the non-exclusive jurisdiction of the courts of the United Kingdom) shall apply to the whole of the matters and obligations of the parties and the party agrees to submit to the jurisdiction of the courts of the United Kingdom.
- 25.2 Any question arising out of or in connection with any Intellectual Property shall be governed by the law of the country in which the Intellectual Property has been granted or filed or exists.
- 25.3 [The parties hereby submit to the jurisdiction of the High Court of Justice in London [and << Name of agent >> irrevocably appoints << Name of agent >> as its agent for acceptance of service relating to the matters arising out of or in connection with this Agreement << Name of Party based overseas >> may from time to time appoint some other person as its agent for that purpose.]]

**IN WITNESS WHEREOF** this Agreement

ed the day and year first

SIGNED by

<<Name and Title of person signing for Pa  
for and on behalf of <<Party 1 Name>>

In the presence of  
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing for Pa  
for and on behalf of <<Party 2 Name>>

In the presence of  
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing for Pa  
for and on behalf of <<Parent of Party 1 Na

In the presence of  
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing for Pa  
for and on behalf of <<Parent of Party 2 Na

In the presence of  
<<Name & Address of Witness>>

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Name: << >>

Place of incorporation and registered number

Registered office: << >>

Directors:     << >>  
                  << >>  
                  << >>

Secretary: << >>

Auditors: << >>

Issued and paid up share capital: £<< >> ordinary shares of << >> each.

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Name of each subscriber

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<<Insert Name>>

Dated <<Insert Date>>

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## INTERPRETATION AND AMBIGUITY

### Defined terms

1. In the articles, unless the context requires otherwise:

“articles”	means the articles of association;
“bankruptcy”	includes proceedings in a jurisdiction other than England or Northern Ireland which have an effect similar to bankruptcy;
“chairman”	has the meaning given in section 2;
“chairman of the meeting”	has the meaning given in section 62;
“Companies Acts”	means the Companies Act 2006 as defined in section 2 of the Companies Act 2006 as they apply to the company;
“director”	means a person who occupies the position of director, by whatever name called;
“distribution recipient”	has the meaning given in section 14;
“document”	includes any document sent or supplied to the company;
“electronic form”	has the meaning given in section 1168 of the Companies Act 2006;
“fully paid”	in relation to shares, means that the nominal value and any premium on the shares has been paid by the company in respect of that share;
“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 any form;
“ordinary resolution”	has the meaning given in section 282 of the Companies Act 2006;
“paid”	means paid in full;
“participate”	in relation to shares, has the meaning given in article 10;
“proxy notice”	has the meaning given in section 68;

“shareholder”	means a	of a share;
“shares”	means s	
“special resolution”	has the	on 283 of the Companies
	Act 2006	
“subsidiary”	has the	on 1159 of the Companies
	Act 2006	
“transmittee”	means a	re by reason of the death
	or bankr	or otherwise by operation
	of law; a	
“writing”	means	reproduction of words,
	symbols	in a visible form by any
	method	methods, whether sent or
	supplied	erwise.

Unless the context otherwise requires, other words and expressions contained in these articles shall bear the same meaning as in the Companies Act 2006 as amended on the date when these articles become binding on the company.

### Liability of members

- The liability of the members is limited to the amount paid on the shares held by them.

## DIRECTORS' POWERS AND DUTIES

### Directors' general authority

- Subject to the articles, the directors are authorised to manage the business of the company, for which purpose they may exercise all the powers of the company.

### Shareholders' reserve power

- (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.  
(2) No such special resolution invalidates any action which the directors have done before the passing of the resolution.

### Directors may delegate

- (1) Subject to the articles, the directors may delegate any or all of the powers which are conferred on them under the articles—  
(a) to such person or committee;  
(b) by such means (including by power of attorney);  
(c) to such an extent;  
(d) in relation to such matters or territories;  
(e) on such terms and conditions;

as they think fit.

(2) If the directors so specify, any such delegation of the directors' powers by any person to whom they have delegated them.

(3) The directors may revoke any delegation of their powers, or alter its terms and conditions.

## Committees

6.—(1) Committees to which the directors have delegated their powers must follow the procedures which are based as far as they can be on the provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for any committees, which prevail over rules derived from the articles if the articles do not provide otherwise.

## DECISION-MAKING

### Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors must be either a majority decision or a unanimous decision, as provided in article 8.

(2) If—

(a) the company only has one director,

(b) no provision of the articles requires a majority or unanimous decision, then the general rule does not apply, and the director(s) take decisions without regard to any other provision of the articles.

### Unanimous decisions

8.—(1) A decision of the directors is taken unanimously if all eligible directors indicate to each other by any means that they agree on a matter.

(2) Such a decision may take the form of a resolution, or it may be taken by a director who has signed one or more copies of it, or by a written agreement in writing.

(3) References in this article to eligible directors are to those directors who would have been entitled to vote on the matter had it been put to a vote at a directors' meeting.

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

### Calling a directors' meeting

9.—(1) Any director may call a directors' meeting, or the company may do so by the directors or by authorising the company secretary to do so.

(2) Notice of any directors' meeting must include—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors will not be able to attend, how it is proposed that they may take decisions in the absence of a meeting.

(3) Notice of a directors' meeting must be given to each eligible director.

(4) Notice of a directors' meeting need not be given to a director if he has waived his entitlement to notice of that meeting, by giving notice to the company, or by acting or consenting to act, after the date on which the meeting is held, in a way which indicates that he does not intend to attend, that does not affect the validity of any business conducted at it.

Further delegation of the

..., or alter its terms and

their powers must follow the provisions of the articles

committees, which prevail over them.

that any decision of the directors must be taken in accordance with the articles.

the director, as long as he remains sole director, the provisions of articles 8 to 15 (inclusive).

is article when all eligible directors agree on a matter.

where each eligible director has signed one or more copies of it, or has otherwise indicated

s who would have been entitled to vote on the matter had it been put to a directors' meeting.

the eligible directors would not have formed a quorum at such a meeting.

of the meeting to the company secretary, or by the company secretary, in each notice.

ing will not be in the same way as a meeting, with each other during the meeting.

it need not be in writing.

no waive their entitlement to notice of that meeting.

any not more than 7 days after the date on which the meeting is held.

even after the meeting has been held, that does not affect the validity of any business conducted at it.

### Participation in directors' meetings

**10.—**(1) Subject to the articles, directors participate in a directors' meeting, when—

- (a) the meeting has been called and
- (b) they can each communicate to the others on any particular item of the business of the company.

(2) In determining whether directors are participating in a meeting, it is irrelevant where any director is or how they communicate.

(3) If all the directors participating in a meeting agree, that the meeting is to be treated as taking place

### Quorum for directors' meetings

**11.—**(1) At a directors' meeting, unless a quorum is present, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed by the directors, but whenever the company has less than two, and unless otherwise fixed in the articles.

(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) to appoint further directors, or
- (b) to call a general meeting so as to increase the number of directors.

### Chairing of directors' meetings

**12.—**(1) The directors may appoint a director to chair the meeting.

(2) The person so appointed for the time being is the chairman.

(3) The directors may terminate the chairmanship of the chairman at any time.

(4) If the chairman is not participating in a meeting, the directors may elect one of themselves to chair it.

### Casting vote

**13.—**(1) If the numbers of votes for and against a resolution are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the meeting for quorum or voting purposes.

### Interests in existing or proposed transactions with the company

**14.—**(1) Subject to disclosure in accordance with section 182 of the Companies Act 2006, a director shall be entitled to count in favour of a resolution of the directors or of a committee of directors or of a sub-committee of directors held on any resolution concerning a proposed transaction or arrangement in which he has a direct or indirect interest.

(2) Subject to the provisions of the Companies Act 2006, if a director has disclosed to the directors the nature and extent of any interest he has in a proposed or existing transaction or arrangement, he shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such transaction or arrangement.

arrangement shall be liable to be avoided or set aside if it is not in the best interest or benefit.

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

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

#### **Records of meetings to be kept**

16. The directors must cause minutes of all meetings of directors to be recorded in writing and kept for at least 10 years from the date of the meeting recorded. In the case of a company having more than one class of shares, each director must cause all resolutions made by him to be recorded in writing and kept for at least 10 years from the date of the resolution recorded.

### **APPOINTMENT OF DIRECTORS**

#### **Methods of appointing directors**

17.—(1) Any person who is willing to act as a director may be appointed to be a director—

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

(2) In any case where, as a result of the death of a director, the personal representatives of that director are entitled to notice in writing, to appoint a person to be a director, the notice may be given to any one of them.

(3) For the purposes of paragraph (2), where the death of a director renders it uncertain who was the last to exercise the right, the older shareholder is deemed to have survived an older shareholder.

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

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director under section 167 of the Companies Act 2006 or is prohibited from being a director under section 168 of that Act;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person in satisfaction of that person's debts;
- (d) a registered medical practitioner writes to the company stating that that person is incapable of acting as a director and may remain so for a period of more than 3 months;
- (e) by reason of that person's mental incapacity, the company is prevented from exercising its powers or rights which that person would otherwise have;
- (f) notification is received by the company from the person that the person is resigning from office, and such resignation has taken effect;
- (g) that person receives notice signed by the directors stating that that person should cease to be a director.

#### **Directors' remuneration**



**19.—**(1) Directors (and alternate directors) are accountable to the company for the services for the company that the directors decide.

(2) Directors (and alternate directors) are accountable to the company for the remuneration as the directors determine—

- (a) for their services to the company as directors,
- (b) for any other service which they undertake as directors.

(3) Subject to the articles, a director's (or an alternate director's) remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the director's (or alternate director's) remuneration, by way of gratuity, or any death, sickness or disability benefit, or otherwise.

(4) Unless the directors decide otherwise, a director's (or an alternate director's) remuneration accrues from day to day.

(5) Unless the directors decide otherwise, a director (and an alternate director) is not accountable to the company for any remuneration received as a director (or an alternate director) or other officers or employees of the company or of any other body corporate in which the company has an interest.

### **Directors' expenses**

**20.** The company shall pay any reasonable expenses properly incurred by directors (including alternate directors) in connection with—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares of the company, or otherwise in connection with the discharge of their responsibilities in relation to the company.

### **ALTERNATE DIRECTORS**

### **Appointment and removal of alternates**

**21.—**(1) Any director (the "appointor") may appoint or remove any other person approved by resolution of the directors to act as an alternate director in his stead—

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities.

in relation to the taking of decisions by the directors in the absence of the alternate director.

(2) Any appointment or removal of an alternate director shall be made by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

(3) The notice must—

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, state the name of the proposed alternate and the proposed alternate's consent to acting as an alternate director, giving the notice.

### **Rights and responsibilities of alternate directors**

**22.—**(1) An alternate director may act as a director and has the same rights, in relation to any decision taken by the directors, as the director appointing him.

(2) Except as the articles specify otherwise—

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions in relation to the company,
- (c) are subject to the same restrictions on the number of companies in which they may act as directors, and
- (d) are not deemed to be agents of or for the company.

and, in particular (without limitation), each of all meetings of directors and of all meetings of which his appointor is a member.

- (3) A person who is an alternate director but is not an eligible director may—
- (a) may be counted as participating for the purpose of determining whether a quorum is present at a meeting (but only if that person's appointor is present at the meeting),
  - (b) may participate in an unanimous decision of the directors (but only if his appointor is present at the meeting), and
  - (c) may not be counted as more than one director for the purposes of articles 22(3)(a) and (b).

(4) A director who is also an alternate director may exercise 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).

(5) An alternate director is not entitled to receive notice of meetings of directors from the company for or in relation to his appointor's remuneration or otherwise.

### Termination of alternate directorship

23. An alternate director's appointment as a director terminates—
- (a) when the alternate's appointor revokes the appointment by writing specifying when it is to terminate;
  - (b) on the occurrence in relation to the alternate's appointor of any event which, if it occurred in relation to the alternate's appointor, would terminate the appointment as a director;
  - (c) on the death of the alternate's appointor; and
  - (d) when the alternate's appointor's appointment as a director terminates.

### SHARES AND DEBENTURES

### Company's lien over partly paid shares

24.—(1) The company has a lien ("the company's lien") over a share which is partly paid for any part of—

- (a) that share's nominal value, and
  - (b) any premium at which it was issued.
- which has not been paid to the company, whether or not a call notice has been given in the future, whether or not a call notice has been given.

(2) The company's lien over a share—

- (a) takes priority over any third party's claim in respect of that share;
- (b) extends to any dividend or other payment made to or for the holder of that share and (if the lien is enforced and the share is sold) the proceeds of sale of that share.

(3) The directors may at any time decide that the company's lien shall not be subject to the provisions of this article.

### Enforcement of the company's lien

25.—(1) Subject to the provisions of this article, the company may enforce its lien—

- (a) a lien enforcement notice has been given to the holder of the share, and

(b) the person to whom the notice was  
the company may sell that share in such m

(2) A lien enforcement notice—

(a) may only be given in respect of a sum payable in respect of which a sum is payable and

(b) must specify the share concerned;

(c) must require payment of the sum p

(d) must be addressed either to the h

reason of the holder's death, bankrupt

(e) must state the company's intention

Where shares are sold under this article

(a) the directors may authorise any person

shares to the purchaser or a person not

(b) the transferee is not bound to see to it

transferee's title is not affected by any

the sale.

(4) The net proceeds of any such sale (after

of enforcing the lien) must be applied—

(a) first, in payment of so much of the

date of the lien enforcement notice,

(b) second, to the person entitled to the

certificate for the shares sold has been

suitable indemnity has been given

equivalent

to the company's lien over the shares

of the shares after the date of the lien.

(5) A statutory declaration by a director

(5) A statutory declaration by a director or director or the company secretary and that

lien on a specified date—

(a) is conclusive evidence of the facts s

(a) is conclusive evidence of the facts so entitled to the share, and

(b) subject to compliance with any other f

(b) subject to compliance with any other law, constitutes a good title to the share.

law, constitutes a good title to the share.

## Call notices

**26.—**(1) Subject to the articles and the terms of any offer, the company may, at any time, send a notice (a “call notice”) to a member requiring him to pay to the company a specified sum of money (a “call”) which is due and payable by him in respect of shares held at the date when the directors decide to make such a call.

(2) A call notice—

(a) may not require a member to pay member's shares (whether as to the s company by way of premium);

(b) must state when and how any call

(c) may permit or require the call to be

(3) A member must comply with the requirement to pay any call before 14 days have passed

(4) Before the company has received any of the following:

(a) revoke it wholly or in part, or

(b) specify a later time for payment than

by a further notice in writing to the member

### Liability to pay calls

**27.—**(1) Liability to pay a call is not extinguished by the lapse of time in respect of which it is required to be paid.

(2) Joint holders of a share are jointly and severally liable for the payment of the share.

(3) Subject to the terms on which shares are issued, the Company shall, at the option of the holder of the shares, provide that call notices sent to the holder of the shares shall be deemed to have been sent to the holder of the shares at the address of the holder of the shares as shown in the register of members of the Company.

- (a) to pay calls which are not the same  
(b) to pay calls at different times.

## When call notice need not be issued

**28.—**(1) A call notice need not be issued in respect of a share on which a share is issued, as being paid up, or as being paid up (whether in respect of nominal value or premium).

- (a) on allotment;
- (b) on the occurrence of a particular event;
- (c) on a date fixed by or in accordance with the bye-laws.

(2) But if the due date for payment of such sum is not the date on which the holder of the share concerned is treated in notice in respect of that sum, and is liable for payment of interest and forfeiture.

**Failure to comply with call notice: auton**

**29.—(1)** If a person is liable to pay a call a

- (a) the directors may issue a notice of
- (b) until the call is paid, that person may
- call payment date at the relevant rate.

(2) For the purposes of this article—

- (a) the “call payment date” is the time  
unless the directors give a notice specifying a date” is that later date;
- (b) the “relevant rate” is—

- (i) the rate fixed by the terms on which the loan was allotted;
- (ii) such other rate as was fixed by the bank for a loan of the same kind, call, or has otherwise been determined by the bank;
- (iii) if no rate is fixed in either of the two cases, the rate prevailing in the market for a loan of the same kind.

(3) The relevant rate must not exceed by rate most recently set by the Monetary connection with its responsibilities under P

(4) The directors may waive any obligation

## Notice of intended forfeiture

**30. A notice of intended forfeiture—**

- (a) may be sent in respect of any share required by a call notice;
- (b) must be sent to the holder of that share or, in the case of the death of the holder, to his personal representatives or to the trustee in bankruptcy of the holder or to the holder's personal representative or to the trustee in bankruptcy of the holder or to the holder's personal representative or to the trustee in bankruptcy of the holder;
- (c) must require payment of the call amount within 14 days after the date of the notice;
- (d) must state how the payment is to be made;
- (e) must state that if the notice is not complied with, the call is payable will be liable to be forfeited.

transferring the shares in

all calls in respect of that

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may require them—

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in respect of that share

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It points the base lending rate of the Bank of England in 1998 and Act 1998(a).

wholly or in part.

all has not been paid as

entitled to it by reason of the

by a date which is not less

es in respect of which the

## Directors' power to forfeit shares

31. If a notice of intended forfeiture is not of the call is required in the notice of intended share in respect of which it was given is forfeited or other moneys payable in respect of the share

## Effect of forfeiture

- 32.—(1) Subject to the articles, the forfeiture of a share—
- (a) all interests in that share, and all dividends and other moneys payable in respect of it, and
  - (b) all other rights and liabilities incident to the share it was prior to the forfeiture and
- (2) Any share which is forfeited in accordance with the articles—
- (a) is deemed to have been forfeited without any consideration being received on its disposal;
  - (b) is deemed to be the property of the company;
  - (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.
- (3) If a person's shares have been forfeited—
- (a) the company must send that person notice of the forfeiture in the register of members;
  - (b) that person ceases to be a member of the company;
  - (c) that person must surrender the certificate for cancellation;
  - (d) that person remains liable to the company for the calls made by the articles at the date of forfeiture in respect of the share (whether accrued before or after the date of forfeiture);
  - (e) the directors may waive payment of any calls in whole or in part without any allowance for the value of the share or the consideration received on their disposal.
- (4) At any time before the company disposes of the share, the directors may cancel the forfeiture on payment of all calls in arrears and on such other terms as they think fit.

## Procedure following forfeiture

- 33.—(1) If a forfeited share is to be disposed of, the company may—
- (a) receive the consideration for the transfer of the share;
  - (b) execute the instrument of transfer.
- (2) A statutory declaration by a director or the company secretary and that—
- (a) is conclusive evidence of the facts stated in it;
  - (b) is made on a specified date—
- (3) A person to whom a forfeited share is transferred, the company may—
- (a) see to the application of the proceeds of the share, notwithstanding any irregularity in the process leading to the forfeiture;
  - (b) see to the application of the proceeds of the share, notwithstanding any irregularity in the process leading to the forfeiture.
- (4) If the company sells a forfeited share, the person to whom it is sold is entitled to receive from the company the proceeds of the sale, excluding any amount which—
- (a) was, or would have become, payable in respect of the share;
  - (b) had not, when that share was forfeited, been paid before the forfeiture.

date by which payment of the call is required in the notice of intended share in respect of which it was given is forfeited or other moneys payable in respect of the share

—  
against the company in  
between the person whose  
that it is forfeited;  
directors think fit.

has occurred and record it  
es;  
forfeited to the company for  
able by that person under  
es, including any interest  
in part or enforce payment  
of forfeiture or for any  
the directors may decide to  
ect of it and on such other

ferred, the company may  
authorise any person to  
ry that the declarant is a  
ed on a specified date—  
all persons claiming to be  
required by the articles or  
to see to the application of  
ected by any irregularity in  
share.  
it prior to its forfeiture is  
et of any commission, and  
person in respect of that

share,  
but no interest is payable to such a person  
not required to account for any money earned

### **Surrender of shares**

- 34.—**(1) A member may surrender any share—
- (a) in respect of which the directors may accept forfeiture;
  - (b) which the directors may forfeit; or
  - (c) which has been forfeited.
- (2) The directors may accept the surrender.
- (3) The effect of surrender on a share is the same as if the share had been forfeited.
- (4) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

### **Powers to issue different classes of shares**

- 35.—**(1) Subject to the articles and to the rights attached to any existing share, the company may issue shares with such rights or restrictions as they may determine.
- (2) The company may issue shares which are liable to be redeemed at the option of the company or the holder, and may determine the terms, conditions and manner of redemption of any such shares.

### **Company not bound by less than absolute ownership**

- 36.** Except as required by law, no person is to be regarded as holding any share upon any trust, and except as otherwise provided in the articles, the company is not in any way to be bound by or recognise any equitable interest in, or other than the holder's absolute ownership of it and all the rights and remedies in respect of it.

### **Share certificates**

- 37.—**(1) The company must issue each certificate in respect of the shares which it is to issue.
- (2) Every certificate must specify—
- (a) in respect of how many shares, of what class;
  - (b) the nominal value of those shares; and
  - (c) any distinguishing numbers assigned to those shares.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, the certificate may be issued in respect of it.
- (5) Certificates must—
- (a) have affixed to them the company's seal;
  - (b) be otherwise executed in accordance with the articles.

### **Replacement share certificates**

- 38.—**(1) If a certificate issued in respect of shares—
- (a) damaged or defaced, or
  - (b) said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued a replacement certificate—
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

- (b) must return the certificate which is defaced; and
- (c) must comply with such conditions and pay a reasonable fee as the directors decide.

## Share transfers

**39.**—(1) Shares may be transferred by means of any other form approved by the directors.

(2) No fee may be charged for registering the transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer.

(4) The transferor remains the holder of a share until the transferor's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer if they do so, they must give the transferee notice of their refusal and the reasons for the refusal. If registration is refused, the instrument of transfer must be given to the transferee with the notice of refusal unless they suspect that it may be fraudulent.

## Transmission of shares

**40.**—(1) If title to a share passes to a transferee, the transferee is entitled to be recognised as having any title to that share.

(2) A transferee who produces such evidence as the directors may properly require—

(a) may, subject to the articles, choose to have them transferred to another person;

(b) subject to the articles, and pending the transfer, has the same rights as the holder had.

(3) But transferees do not have the right to vote at a proposed written resolution, in respect of the share, if the holder's death or bankruptcy or otherwise, has occurred.

## Exercise of transferees' rights

**41.**—(1) Transferees who wish to become shareholders must notify the company in writing.

(2) If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in respect of the share.

(3) Any transfer made or executed under the articles is valid as if it were made or executed by the person from whom the transfer was made, and as if the event which gave rise to the transfer had occurred.

## Transferees bound by prior notices

**42.** If a notice is given to a shareholder in respect of those shares, the transferee is bound by the notice if the transferee's name or the name of the transferee(s) in an instrument of transfer executed under the articles is entered in the register of members.

## DIVIDENDS AND

## Procedure for declaring dividends

**43.—**(1) The company may by ordinary resolution decide to pay interim dividends.

(2) A dividend must not be declared unless its amount. Such a dividend must not exceed

(3) No dividend may be declared or paid in contravention of the respective rights.

(4) Unless the shareholders' resolution to the terms on which shares are issued, such dividend must be paid by reference to each shareholder's holding of shares on the date of payment.

(5) If the company's share capital is divided into shares carrying deferred or non-preferential dividend is in arrear.

(6) The directors may pay at intervals and in such manner as they think fit, provided that the profits available for distribution are sufficient.

(7) If the directors act in good faith, they do not incur any liability for conferring preferred rights for any loss the dividend on shares with deferred or non-preferential rights.

#### **Payment of dividends and other distributions**

**44.—**(1) Where a dividend or other sum is payable in respect of a share, it must be paid by one or more of the following methods—

(a) transfer to a bank or building society account in writing;

(b) sending a cheque made payable to the distribution recipient at the distribution recipient's address (if the distribution recipient is a holder of the share), or to the distribution recipient in writing;

(c) sending a cheque made payable to the distribution recipient at such address as the distribution recipient has specified in writing;

(d) any other means of payment as the directors may determine in writing.

(2) In the articles, "the distribution recipient" means—

(a) the holder of the share; or

(b) if the share has two or more joint holders, the first named in the register of members; or

(c) if the holder is no longer entitled to the share by operation of law, the transferee.

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

**45.** The company may not pay interest on a dividend or other sum payable in respect of a share unless otherwise provided by—

(a) the terms on which the share was issued; or

(b) the provisions of another agreement entered into by the company.

#### **Unclaimed distributions**

**46.—**(1) All dividends or other sums which are payable in respect of shares, and

(a) payable in respect of shares, and  
(b) unclaimed after having been declared, shall be paid to the company.

dividends, and the directors may

make a recommendation as to whether a dividend should be declared by the directors.

in accordance with shareholders' rights.

resolution to pay a dividend, or to declare a dividend, or to decide to pay a dividend, or to decide to declare or pay a dividend.

no interim dividend may be paid at any time of payment, any

fixed rate if it appears to the directors that it is

the holders of shares entitled to the payment of an interim dividend.

is payable in respect of a share, it must be paid by one or more of the following methods—

the distribution recipient in writing;

recipient by post to the distribution recipient's address (if the distribution recipient is a holder of the share), or to the distribution recipient in writing;

to such person at such address as the distribution recipient has specified in writing;

the distribution recipient in writing.

share in respect of which a dividend or other sum is payable—

them is named first in the register of members; or

death or bankruptcy, or otherwise by operation of law, the transferee.

sum payable in respect of a share unless otherwise provided by—

er of that share and the company.



may be invested or otherwise made good by the company until claimed.

(2) The payment of any such dividend or other sum does not make the company a trustee in respect of it.

(3) If—

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

(b) the distribution recipient has not claimed the dividend or other sum and it ceases to remain owing by the company.

### Non-cash distributions

**47.**—(1) Subject to the terms of issue of the shares, the company may, by ordinary resolution on the recommendation of the directors, make a non-cash distribution payable in respect of a share of any value (including, without limitation, shares of fractional value).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where necessary, the following—

(a) fixing the value of any assets;

(b) paying cash to any distribution recipient in satisfaction of the rights of recipients; and

(c) vesting any assets in trustees.

### Waiver of distributions

**48.** Distribution recipients may waive their right to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

(a) the share has more than one holder;

(b) more than one person is entitled to the dividend or other distribution by reason of the death or

bankruptcy of one or more joint holders of the share, the notice is not effective unless it is expressed to be signed, by all the holders or persons otherwise entitled to the share.

## CAPITALISATION

### Authority to capitalise and appropriation of profits

**49.**—(1) Subject to the articles, the directors may, by ordinary resolution—

(a) decide to capitalise any profits of the company (including profits not distributed by way of dividend) which are not required for the purposes of the company and are standing to the credit of the company or any reserve; and

(b) appropriate any sum which they so decide to capitalise to the persons who would have been entitled to the dividend or other distribution (“persons entitled”) and in the same proportions as they would have been entitled to receive it.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend or other distribution would be applied.

(3) Any capitalised sum may be applied in satisfaction of the dividend or other distribution to the capitalised sum which are then allotted to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated for distribution may be applied in paying up new debentures of the company or in paying up shares paid to the persons entitled or as they may be entitled to.

(5) Subject to the articles the directors may (a) apply capitalised sums in accordance with articles 49 and (4) partly in one way and partly in another; (b) make such arrangements as they think fit for the purpose of the shares becoming distributable in fractions without the issuing of fractional certificates or the making of cash payments; (c) authorise any person to enter into any agreement with any of the persons entitled which is binding on them in respect of the debentures to them under this article.

le for distribution may be applied in paying up new debentures of the company or in paying up shares paid to the persons entitled or as they may be entitled to.

and (4) partly in one way and partly in another;

with shares or debentures becoming distributable in fractions without the issuing of fractional certificates or the making of cash payments;

company on behalf of all the persons entitled to the allotment of shares and debentures to them under this article.

## DECISION-MAKING AND ORGANISATION OF THE COMPANY

### Attendance and speaking at general meetings

**50.—**(1) A person is able to exercise the right to speak at a general meeting if that person is in a position to communicate to all the persons attending the meeting any information or opinions which that person wishes to express.

(2) A person is able to exercise the right to vote at a general meeting when— (a) that person is able to vote, during the meeting, and (b) that person's vote can be taken in respect of the resolutions are passed at the same time as the meeting.

(3) The directors may make whatever arrangements they think fit to enable those attending a general meeting to exercise their right to speak at it.

(4) In determining attendance at a general meeting, the directors may decide whether members attending it are in the same place.

(5) Two or more persons who are not in the same place may attend a general meeting if their circumstances are such that they are able to speak and vote at that meeting, they are (or would be) able to do so.

general meeting when that person is in a position to communicate to all the persons attending the meeting, during the meeting, any information or opinions which that person wishes to express.

g when— (a) that person is able to vote, during the meeting, and (b) that person's vote can be taken in respect of the resolutions put to the vote at the meeting.

g whether or not such other persons attending the meeting are able to do so.

der appropriate to enable those attending a general meeting to exercise their right to speak or vote at it.

whether any two or more persons are in the same place.

ch other attend a general meeting if their circumstances are such that they are able to speak and vote at that meeting, they are (or would be) able to do so.

### Quorum for general meetings

**51.** No business other than the appointment of the directors may be transacted at a general meeting if the persons present do not constitute a quorum.

### Chairing general meetings

**52.—**(1) If the directors have appointed a chairman of the meeting, that person shall chair the meeting if present and willing to do so.

(2) If the directors have not appointed a chairman of the meeting or if the person appointed is not present within ten minutes of the time at which the meeting was due to start—

(a) the directors present, or (b) (if no directors are present), the members present, must appoint a director or shareholder to chair the meeting. The appointment of the chairman of the meeting must be the first business of the meeting.

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

of the meeting is to be transacted at a general meeting if the persons present do not constitute a quorum.

man shall chair general meetings if present and willing to do so.

an is unwilling to chair the meeting or if the person appointed is not present within ten minutes of the time at which the meeting was due to start—

d the appointment of the chairman of the meeting must be the first business of the meeting.

le is referred to as "the chairman of the meeting".

chairman of the meeting”.

### **Attendance and speaking by directors and shareholders**

- 53.**—(1) Directors may attend and speak at general meetings whether or not they are shareholders.
- (2) The chairman of the meeting may permit—
- (a) shareholders of the company, or
  - (b) otherwise entitled to exercise the right to vote at general meetings,
- to attend and speak at a general meeting.

### **Adjournment**

- 54.**—(1) If the persons attending a general meeting at the hour of the time at which the meeting was due to start do not constitute a quorum, the chairman may—
- (2) The chairman of the meeting may adjourn the meeting at which a quorum is present if—
- (a) the meeting consents to an adjournment,
  - (b) it appears to the chairman of the meeting that it is necessary to protect the safety of any person attending the meeting or that the business of the meeting is conducted in an orderly manner,
- (3) The chairman of the meeting must adjourn the meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman must—
- (a) either specify the time and place to which the meeting is to be continued, or at a time and place to be fixed by the directors,
  - (b) have regard to any directions as to business to be transacted which may have been given by the meeting.
- (5) If the continuation of an adjourned meeting takes place more than 14 days after it was adjourned, the company must give at least 14 days’ notice of the adjourned meeting and the day on which it is to be held—
- (a) to the same persons to whom notice of the meeting was given, and
  - (b) containing the same information which was required to be contained in the notice of the meeting.
- (6) No business may be transacted at an adjourned meeting which could not properly have been transacted at the meeting at which it was adjourned.

### **VOTING AT GENERAL MEETINGS**

#### **Voting: general**

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

#### **Errors and disputes**

- 56.**—(1) No objection may be raised to the validity of a resolution passed 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 such meeting shall be valid for all purposes.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

final.

### Poll votes

- 57.**—(1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting;
  - (b) at a general meeting, either before or after the result of a show of hands on the resolution has been declared.
- (2) A poll may be demanded by—
- (a) an individual who is a member of the company;
  - (b) a person authorised under section 366 of the Companies Act 2006 (representation of corporations at meetings) to act as the representative of the company at the meeting; or
  - (c) a person appointed as proxy of a member of the company.
- (3) A poll may not be demanded at a general meeting for—
- (a) the election of the chairman of the meeting;
  - (b) the adjournment of the meeting.
- (4) A demand for a poll may be withdrawn—
- (a) if the poll has not yet been taken; and
  - (b) if the chairman of the meeting consents.
- A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- (5) Polls must be taken immediately and the result must be declared.

### Content of proxy notices

- 58.**—(1) Proxies may only validly be appointed if the notice in writing (a “proxy notice”) which—
- (a) states the name and address of the person appointed as proxy;
  - (b) identifies the person appointed as proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the shareholder in such manner as the directors may determine;
  - (d) is delivered to the company in accordance with the provisions contained in the notice of the general meeting.
- (2) The company may require proxy notices to be in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the person appointed as proxy is to vote (or that the person appointed as proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it shall be taken to authorise the person appointed as proxy—
- (a) allowing the person appointed as proxy to vote on any ancillary or procedural resolutions put to the company at the meeting;
  - (b) appointing that person as a proxy for the company at the meeting to which it relates as well as to any other business to be transacted at the meeting.

### Delivery of proxy notices

- 59.**—(1) A person who is entitled to attend and vote at a general meeting (or a poll taken at a general meeting) remains so entitled, even though a valid proxy notice has been given by or on behalf of that person.
- (2) An appointment under a proxy notice must be in writing given by or on behalf of the person giving the notice or the person on whose behalf the notice was given.

(3) A notice revoking a proxy appointment must be delivered before the start of the meeting or adjourned meeting to which it relates.  
(4) If a proxy notice is not executed by the appointor, it must be accompanied by written evidence of the authority of the person who executed it on the appointor's behalf.

### Amendments to resolutions

**60.**—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given in writing by a person entitled to vote at the general meeting to which the amendment is proposed not less than 48 hours before the meeting is to take place (or such longer period as the chairman of the meeting may determine), and

(b) the proposed amendment does not, if adopted, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond correcting a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in accordance with the articles, decides that an amendment to a resolution is out of order, the chairman's decision is final and the resolution is valid.

### ADMINISTRATIVE

### Means of communication to be used

**61.**—(1) Subject to the articles, anything which is required to be sent or supplied in any way to or by the company in connection with documents or information which are authorised to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document which is required to be sent or supplied in connection with the taking of decisions by the company may be sent or supplied by any means by which that director has asked for such notices or documents for the time being.

(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 sent, and for the specified time to be specified.

### Company seals

**62.**—(1) Any common seal may only be used for the purposes of the company.

(2) The directors may decide by what means any common seal is to be used.

(3) Unless otherwise decided by the directors, a document which is signed by the company and affixed to a document, the document must be signed in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or

(c) any person authorised by the director to sign documents to which the common seal is applied.

#### **No right to inspect accounts and other records**

**63.** Except as provided by law or authorised by an ordinary resolution of the company, no person is entitled to inspect the accounts or other records or documents merely by virtue of being a shareholder.

#### **Provision for employees on cessation of business**

**64.** Subject to the Companies Act 2006, the company may make provision for the benefit of persons employed or formerly employed by it or any of its subsidiaries (other than a director or former director or officer) in connection with the cessation of the business of the company or that of any subsidiary.

#### **OFFICERS' INDEMNITY**

##### **Indemnity**

**65.—**(1) Subject to paragraph (2), but without prejudice to any other right or entitlement which a relevant officer may otherwise be entitled to, the company shall indemnify the relevant officer against all costs, charges, losses and expenses incurred by him as a relevant officer in the actual or purported performance of his duties for the company or an associated company or a pension scheme (as defined in section 2(41) of the Companies Act 2006), or in relation to or in connection with any criminal proceedings, in which judgement is given in his favour or the proceedings are discontinued or otherwise disposed of without any finding of negligence, default, breach of duty or breach of trust on the part of the relevant officer or those of an associated company.

(2) This article does not authorise any indemnity which is prohibited or rendered void by any provision of the Companies Acts or any other law.

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant officer” means any director, officer or other person who is or has been a trustee of an occupational pension scheme (as defined in the Companies Act 2006) or any person (whether an auditor or not) engaged by the company as auditor to the extent that he is, in relation to the company, an officer or auditor.

##### **Insurance**

**66.—**(1) The directors may decide to purchase or arrange to purchase insurance, at the expense of the company, for the benefit of any relevant officer against any loss or damage.

(2) In this article—

- (a) a “relevant officer” means any director, officer or other person who is or has been a trustee of an occupational pension scheme (as defined in the Companies Act 2006) or any person (whether an auditor or not) engaged by the company as auditor to the extent that he is, in relation to the company, an officer or auditor,

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