

REGISTERED NO.

**Articles
of
Association**

of

MonLife Plus Limited

Incorporated: 2018

COMPANY LIMITED BY SHARES

THE COMPANIES ACT 2006

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Reference: OJD: 36456.0005

Articles of Association of MonLife Plus Limited

PART A: INTRODUCTION

1. INTERPRETATION

1.1. In these Articles:

"the Act"	means the Companies Act 2006;
"AGM"	means an annual general meeting of the Company;
"the Articles"	means these Articles of Association of the Company and "Article" shall be construed accordingly;
"the Board"	means the board of the Company comprising the Directors and (where appropriate) includes a Committee of the Board and the Directors acting by written resolution;
"Board Meeting"	means a meeting of the Board or (where appropriate) of a Committee of the Board;
"Chair"	means (subject to the context) either the person elected as chair of the Company under Article 33 or, where the Chair of the Company is not present or has not taken the chair at a meeting, means the person who is chairing a Board Meeting at the time, or the person appointed by the Shareholders from amongst their number to chair a General Meeting;

"clear days"	in relation to a period of notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Committee"	means a committee of the Board;
"Company"	means the company regulated by the Articles;
"Companies House"	means the office of the Registrar of Companies;
"Council"	means Monmouthshire County Council of County Hall, The Rhadyr, Usk NP15 1GA
"Director"	means a director of the Company for the time being;
"executed"	includes any mode of execution;
"General Meeting"	means any meeting of the Shareholders;
"holder"	in relation to shares means the Shareholder whose name is entered in the register of Shareholders;
"holding company"; "subsidiary" and "wholly-owned subsidiary"	mean a "holding company", "subsidiary" and "wholly-owned subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;
"including"	means "including without limitation" and "include" and "includes" are to be construed accordingly;

"Objects"	means the objects of the Company as set out Article 6;
"Observers"	means those persons (other than Directors) present under Article 35 at a Board Meeting;
"Registered Office"	means the registered office of the Company;
"Relevant Agreement"	means any agreement or agreements entered into between the Company and the Shareholders relating to the management, operation and activities of the Company;
"Secretary"	means the secretary of the Company (if any) as may be appointed under these Articles to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
"Share"	means a share of any type in the capital of the Company (and includes both a fully paid and a partly paid share);
"Shareholder"	means a shareholder for the time being of the Company;
"Shareholder Reserved Matters"	means those matters designated as such in a Relevant Agreement or elsewhere where a decision is reserved to the Shareholders;
"United Kingdom"	means Great Britain and Northern Ireland.

1.2. In these Articles:

1.2.1. terms defined in the Act are to have the same meaning;

1.2.2. references to the singular include the plural and vice versa, to the whole include part and vice versa, and to the

masculine include the feminine and neuter and vice versa;

1.2.3. references to "organisations" or "persons" include corporate bodies, public bodies, unincorporated associations and partnerships;

1.2.4. references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it; and

1.2.5. the headings are not to affect the interpretation of the Articles.

2. **NAME**
The Company's name is MonLife Plus Limited.

3. **REGISTERED OFFICE**
The Company's Registered Office is to be situated in England or Wales

4. **POWERS**

The Company may do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles.

5. **LIMIT OF LIABILITY**

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

6. **OBJECTS**

The Company's Objects are:

6.1. to undertake activities for commercial purposes; and

6.2. to carry on business as a general commercial company.

DRAFT

PART B. SHARE CAPITAL

7. SHARE CAPITAL

The share capital of the Company is £100 ordinary shares divided into 100 shares of £1 each.

8. ISSUE OF SHARES AND SHARE CERTIFICATES

8.1. Subject to the Act the Company may issue Shares which must be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms as the Board decides.

8.2. The Company may pay commissions as provided in the Act. Subject to the Act, any commission may be paid in cash and/or by the allotment of Shares.

8.3. Except as required by law, no person is to be recognised by the Company as holding a Share on trust. The Company is not bound to recognise any interest in a Share other than the holder's absolute right to it.

8.4. Unless the Shareholders decide otherwise by special resolution, any unissued ordinary Shares and any new Shares that are created must first be offered to the existing Shareholders in proportion to the number of Shares they already hold. The offer must be made by giving notice to each of the Shareholders. The notice must specify the number of Shares offered. It must give at least twenty-one days within which the offer can be accepted. Any Shares which are not accepted within this twenty-one day period will be deemed declined and must be offered, in the same proportions, to the Shareholders who have accepted the Shares offered to them. The further offer must be made on the same terms and subject to the same notice period as the original offer. Any Shares not accepted (except by way of fractions) and any Shares released from this Article by a special resolution are to be under the control of the Board. The Board may (subject to Article 8.5) dispose of them as they decide but no Shares refused by the existing Shareholders may be disposed of on terms which are more favourable to their subscribers than the terms on which they were offered to the Shareholders. Sections 561(1) and 562 of the Act do not apply to the Company.

8.5. The Board may not allot shares or grant rights to subscribe for or convert securities into Shares unless approved by the Shareholders.

9. SHARE CERTIFICATES

9.1. Shareholders are entitled without payment to one certificate for all the Shares of each class they hold (and, on transferring part of their Shares, to a certificate for the balance of their holding). Every certificate shall be executed by the Company. It must specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount paid up for the Shares. The Company need not issue more than one certificate for Shares held jointly. The delivery of a certificate to one joint holder is a sufficient delivery to all of them.

9.2. If a Share certificate becomes defaced, or worn out or is lost or destroyed it may be renewed. The Board may specify conditions to be satisfied before it is renewed. Those conditions may relate to evidence or indemnity and provide for the payment of the Company's reasonable costs in investigating evidence. Apart from any payments due as a result of compliance with the Board's conditions no other charge may be made. If the Share Certificate is defaced or wearing out the old certificate must be delivered to the Company before it can be renewed.

10. LIEN

10.1. The Company is to have a first and paramount lien on every Share registered in the name of any person indebted or under a liability to the Company, (including a Share held jointly with another person) for all money payable by the holder or the holder's estate to the Company. The Board may exempt a Share from this Article at any time.

10.2. The Company may sell any Shares on which the Company has a lien if the debt secured by the lien is not paid within 14 clear days after notifying the holder of the Share (or the person entitled to it in consequence of the death or bankruptcy of the holder), demanding payment and stating that if the notice is not complied with the Shares may be sold.

10.3. In order to give effect to a sale the Board may authorise any person to sign a transfer of the Shares to or as directed by the purchaser. The title of the purchaser will not be affected by any irregularity in or invalidity of the sale proceedings.

10.4. The net proceeds of the sale must be applied to discharge the debt secured by the lien. Any residue is to be paid to the person entitled to the Shares at the date of the sale when he surrenders the certificate for the Shares sold to the Company for cancellation.

11. CALLS ON SHARES AND FORFEITURE

11.1. Subject to the terms of allotment, the Board may make calls on the Shareholders for any money unpaid on their Shares (whether in respect of nominal value or premium). Each Shareholder must (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay the Company the amount called as required by the notice. A call may require payment in instalments. A call may be revoked before the Company receives the sum due

under it. Payment of a call may also be postponed. A person on whom a call is made will remain liable for the call made even if the Shares on which it was made are later transferred.

11.2. A call is made when the Board resolution authorising the call is passed.

11.3. The joint holders of a Share are jointly and severally liable to pay all calls on it.

11.4. If a call is unpaid after it is due the person from whom it is payable must pay interest on the unpaid amount from when it became due until payment. The rate must be fixed by the terms of allotment of the Share or in the notice of the call. If no rate is fixed the rate is to be the appropriate rate (as defined in the Act). The Board may waive payment of the interest.

11.5. An amount payable on a Share on allotment on a fixed date (for the nominal value or a premium or as an instalment of a call) is to be deemed to be a call. If it is not paid this Article is to apply as if it had become payable because of a call.

11.6. Subject to the terms of allotment, the Board may make different arrangements on the issue of Shares for the holders of the amounts and times of payment of calls on their Shares.

11.7. If a call remains unpaid after it has become due the Board may give the person by whom it is payable at least 14 clear days' notice requiring payment of the call and any interest due and all expenses that may have been incurred by the Company as a result of the non-payment. The notice must state where payment is to be made and that if it is not complied with the Shares on which the call was made are liable to be forfeited.

11.8. If the notice is not complied with then, before the payment it required is made, the Shares on which it was given may be forfeited by a resolution of the Board. The forfeiture is to include all dividends or other money payable on the forfeited Shares which were not paid before the forfeiture.

11.9. Subject to the Act, a forfeited Share may be sold, re-allotted or otherwise disposed of as the Board decides. This may be to its holder before the forfeiture or to any other person. At any time before the sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board decides. Where a forfeited Share is to be transferred to any person the Board may authorise any person to sign the Share transfer to that person.

11.10. Where a Shareholder's Shares have been forfeited he will cease to be a Shareholder in respect of them. He must surrender the certificate for the Shares forfeited to the Company for cancellation. He is still liable to the Company for all money which, at the date of forfeiture, was payable to the Company on them plus

interest at the interest rate before forfeiture or, if no interest was payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment. The Board may waive payment or enforce payment without allowing for the value of the Shares at the time of forfeiture or the consideration received on their disposal.

11.11. A statutory declaration by a Director or the Secretary that a Share has been forfeited on a specified date is to be conclusive evidence of the fact stated in it as against all persons claiming to be entitled to the Share. The declaration is (subject to the execution of an instrument of transfer if necessary) to constitute a good title to the Share. The purchaser of the Share is not bound to see to the application of the consideration, if any. His title to the Share is not to be affected by any irregularity in or invalidity of the forfeiture or disposal proceedings.

12. TRANSFER OF SHARES

12.1. A transfer may be in any usual form or in any other form the Board approves. It must be signed by or on behalf of the transferor.

12.2. The Board may refuse to register a Share transfer without giving any reason.

12.3. If the Board refuses to register a Share transfer it must notify the transferee of the refusal within two months after the date the transfer was lodged with the Company.

12.4. No fee may be charged for the registration of any transfer or other document relating to or affecting the title to any Share.

12.5. The Company may retain a transfer document which is registered, but any transfer which the Board refuses to register must (except in any case of fraud) be returned to the person lodging it when notice of the refusal is given.

12.6. The Board may destroy in any manner that the Board approves all instruments of transfer of Shares of the Company which have been registered as long as the following conditions are met:-

12.6.1. six years have passed since the date of registration thereof; and

12.6.2. the Board acts in good faith; and

12.6.3. the Board, at the date of destruction, has no notice of any claim to which the instrument of transfer might be relevant.

12.7. The Board may destroy in any manner that the Board approves all registered

Share Certificates which have been cancelled as long as the following conditions are met:-

12.7.1. at least three years have passed since the date of cancellation of the Share Certificate; and

12.7.2. the Board acts in good faith; and

12.7.3. the Board at the date of destruction has no notice of any claim to which the Share Certificate might be relevant.

12.8. It shall be conclusively presumed in favour of the Company that any instrument of transfer destroyed in accordance with Article 12.6 was a valid and effective instrument duly and properly registered and that any Share Certificate destroyed in accordance with Article 12.7 was a valid Certificate duly and properly cancelled.

12.9. Nothing in this Article 12 shall be regarded as imposing any liability upon the Company in respect of any instrument of transfer or Share Certificate in circumstances where the conditions specified in Articles 12.6 or 12.7 (as appropriate) have not been fulfilled.

13. TRANSMISSION OF SHARES

13.1. The survivor of a joint holder who dies and/or the personal representatives of a sole holder are the only persons the Company must recognise as having any title to the Shares. Nothing in these Articles is to release the estate of a deceased Shareholder from any liability in respect of any Share which had been jointly held by him.

13.2. A person entitled to a Share on the death or bankruptcy of a Shareholder may, on producing such evidence as the Board requires either become the holder of the Share or nominate some person to be registered as the transferee. If he elects to become the holder he must notify the Company in writing. If he elects to have another person registered he must transfer the Share to that person. The Articles relating to Share transfer are to apply to the notice or transfer as if it were a transfer signed by the Shareholder.

13.3. A person entitled to a Share on the death or bankruptcy of a Shareholder is to have the same rights as the Shareholder had except that the right to attend or vote at General Meetings or at a class meeting of the holders of any class of Shares shall not arise before that person is registered as the holder of the Share.

14. ALTERATION OF SHARE CAPITAL

14.1. The Company may by ordinary resolution-

14.1.1. increase its share capital by new Shares of such amount as the resolution prescribes;

14.1.2. consolidate and divide its share capital into Shares of a larger amount than its existing Shares;

14.1.3. subject to the Act, sub-divide any of its Shares into Shares of smaller amount and create a preference in favour of some of the Shares resulting from the subdivision over the others; and/or

14.1.4. cancel unissued Shares which have not been agreed to be taken up and reduce its share capital by the amount of the cancelled Shares.

14.2. Where as a result of a consolidation of Shares any Shareholders would become entitled to a fraction of a Share, the Board may, on behalf of those Shareholders, sell the Shares representing the fraction for the best price reasonably obtainable to any person (including, subject to the Act, the Company) and distribute the net sale proceeds among those Shareholders. The Board may authorise a person to sign the Share transfer to, or as directed by, the purchaser. The purchaser is not required to see to the application of the purchase money. His title to the Shares is not to be affected by an irregularity or invalidity in the sale proceedings.

14.3. Subject to the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account.

15. PURCHASE OF OWN SHARES

15.1. Subject to the Act, the Company may purchase its own Shares (including any redeemable Shares) and pay for the redemption or purchase other than out of the Company's distributable profits or the proceeds of a fresh issue of Shares.

16. DIVIDENDS

16.1. Subject to the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Shareholders. No dividend may exceed the amount recommended by the Board.

16.2. Subject to the Act, the Board may pay interim dividends if it appears to it that

they are justified by the distributable profits of the Company. If the Share capital is divided into different classes, the Board may pay interim dividends on Shares with deferred or non-preferred dividend rights as well as on Shares which confer preferential dividend rights, but no interim dividend may be paid on Shares with deferred or non-preferred rights if any preferential dividend is in arrear at the time of payment. The Board may also pay any dividend payable at a fixed rate at such intervals as they decide if it appears to them that the distributable profits justify the payment. Provided the Board acts in good faith the Directors are not to be liable to preferred Shareholders for any loss suffered by the lawful payment of an interim dividend on any deferred or non-preferential Shares.

16.3. Except where the rights attaching to Shares provide otherwise, all dividends are to be paid according to the amount paid up on the Shares on which they are paid. Where the amount paid up changes over the period for which the dividend is payable, the dividend must be apportioned and paid proportionately to the amount paid up on the Shares during each part of the period for which the dividend is paid. If a Share is issued on terms that it is to rank for dividend as from a particular date that Share is to rank for dividend accordingly.

16.4. On the recommendation of the Board a General Meeting declaring a dividend may direct that it is to be satisfied wholly or partly by the distribution of assets. In administering the distribution the Board may:-

16.4.1. issue fractional certificates;

16.4.2. fix the value of any assets;

16.4.3. adjust the rights of Shareholders by paying cash to any Shareholder based on the asset values so fixed;

16.4.4. vest any assets in trustees; and/or

16.4.5. settle any difficulty which arises over the distribution.

16.5. Any dividend or money payable on a Share may be paid by cheque posted to the registered address of the person entitled (or as he/she may direct in writing). If two or more persons hold the Share or are jointly entitled to it because of the death or bankruptcy of the holder it may be sent to the person first named in the register. Cheques are to be payable to the person entitled (or as he/she directs in writing). Payment of the cheque is to be a good discharge to the Company. Any joint holder or other person jointly entitled to a Share may give receipts for any dividend or other money payable on a Share.

16.6. No dividend or other money payable on a Share is to bear interest against the Company unless the rights attached to the Share provide otherwise.

16.7. Any dividend unclaimed twelve years after its payment date may be forfeited by a resolution of the Board.

17. CAPITALISATION OF PROFITS

17.1. The Board may, with the authority of an ordinary resolution of the Company:-

17.1.1. capitalise any profits of the Company not required for paying a preferential dividend (whether or not they are available for distribution) or any sum in the Company's share premium account or capital redemption reserve;

17.1.2. subject to Article 17.2, appropriate the sum resolved to be capitalised to the Shareholders who would have been entitled to it if it were distributed by dividend (in the same proportions) and apply it in paying up any amounts unpaid on any part paid Shares they hold and/or in paying up in full and allotting to them (or as they direct) unissued Shares or debentures in the Company of a nominal amount equal to that sum;

17.1.3. provide for Shares or debentures distributable in fractions by the issue of fractional certificates or by payment in cash; and/or

17.1.4. authorise a person to enter into an agreement with the Company on behalf of all the Shareholders concerned, providing for the allotment to them of any Shares or debentures credited as fully paid to which they are entitled upon such capitalisation. Any agreement made under such authority is to bind all such Shareholders.

17.2. The Share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued Shares to be allotted to Shareholders credited as fully paid.

PART C. GENERAL MEETINGS

18. AGM

18.1. The Company will hold an AGM each year.

18.2. The AGM is to be held at such time and place as the Board appoints.

18.3. The business of the AGM is:-

18.3.1. to receive the annual Directors' report;

18.3.2. to consider the accounts and auditor's report;

18.3.3. to appoint the auditor (if necessary); and

18.3.4. to transact any other business specified in the notice convening the meeting.

19. GENERAL MEETINGS

19.1. All General Meetings are to be called by the Board.

19.2. If there are insufficient Directors in the United Kingdom to form a quorum at a Board Meeting to call a General Meeting it may be called in the same way as a Board Meeting.

19.3. On receiving a requisition from the requisite number of Shareholders as specified under Section 303 of the Act the Board must immediately call a General Meeting.

20. NOTICE OF GENERAL MEETINGS

20.1. General Meetings must be called by at least 14 clear days' notice

20.2. A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Shareholders who may attend and vote and who together hold 90% or more in nominal value of the Shares giving that right.

20.3. The notice must specify:-

20.3.1. the time and place of the General Meeting;

20.3.2. the general nature of the business to be transacted; and,

20.3.3. in the case of an AGM, that it is an AGM.

20.4. No business may be transacted at a General Meeting except that specified in the notice convening the meeting.

20.5. Notice of a General Meeting must be given to all of the Shareholders (except any living outside the United Kingdom who have not given an address for service in the United Kingdom), the Directors and the Company's auditors (if any).

20.6. The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

21. QUORUM FOR GENERAL MEETINGS

21.1. No business may be transacted at a General Meeting unless a quorum is present.

21.2. A quorum is one Shareholder entitled to vote upon the business to be transacted present in person or represented by a duly authorised representative (appointed pursuant to Article 24.4) but in order for a General Meeting to be quorate a duly authorised representative of the Council must be present if the Council is a Shareholder.

21.3. If a quorum is not present within 30 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.

21.4. Notice of an adjournment of a General Meeting because of a lack of quorum and the time and place of the adjourned General Meeting must be given to all Shareholders under Article 20.3.

21.5. If a quorum is not present within 30 minutes from the time of the adjourned General Meeting it is to be dissolved.

21.6. If there is an equality of votes on a show of hands or a ballot the Chair is entitled to a second or casting vote.

22. CHAIR AT GENERAL MEETINGS

22.1. The Shareholders present and entitled to vote must choose one of their number to chair the General Meeting (hereafter in this Part C referred to as “the Chair”).

23. ADJOURNMENT OF GENERAL MEETINGS

23.1. The Chair may, with the consent of a General Meeting at which a quorum is present (and must if so directed by the General Meeting), adjourn it to a time and place agreed by the General Meeting.

23.2. The Chair may also, without the consent of a General Meeting, adjourn it (whether or not it has commenced or is quorate) if it appears to the Chair that:-

23.2.1. the number of persons wishing to attend is greater than could reasonably have been expected and cannot conveniently be accommodated in the meeting room;

23.2.2. unruly conduct is likely to prevent the orderly holding of the meeting;

23.2.3. an adjournment is necessary for the business of the meeting to be conducted properly; or

23.2.4. a proposal of such importance is made that its consideration by a larger number of Shareholders is desirable.

23.3. When a meeting is adjourned under Article 23.2, the time and place for the adjourned meeting is either to be fixed by the Chair at the time of the adjournment or in default it is to be fixed by the Board.

23.4. The only business which may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting which was adjourned.

23.5. It is not necessary to give notice of a General Meeting which is adjourned under Article 23.1 or Article 23.2 unless it is adjourned for 14 days or more in which case 7 clear days' notice must be given.

23.6. Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

24. VOTING AT GENERAL MEETINGS

24.1. Resolutions are to be decided on a show of hands unless a ballot is properly demanded.

24.2. Every Shareholder present has one vote on a show of hands.

24.3. Directors who are not Shareholders may speak but not vote at General Meetings.

24.4. A Shareholder which is an organisation may, by resolution of its governing body (or a committee or officer of the organisation acting under powers delegated by its governing body), authorise such person as it thinks fit to act as its representative at General Meetings.

24.5. A person authorised under Article 24.4 may exercise the same powers on behalf of the organisation as the organisation could exercise if it were an individual Shareholder.

24.6. If there is an equality of votes on a show of hands or a ballot the Chair is entitled to a second or casting vote.

24.7. An objection to the qualification of any voter may only be raised at the General Meeting at which the vote objected to is tendered. Every vote not disallowed at the General Meeting is valid. An objection made in time must be referred to the Chair whose decision is final.

24.8. A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a ballot is demanded.

25. BALLOTS

25.1. A ballot may be demanded at any time during the General Meeting by the Chair or any Shareholder.

25.2. The demand for a ballot may be withdrawn before the ballot is taken. If the demand for a ballot is withdrawn the result of the show of hands will stand.

25.3. The demand for a ballot will not prevent the General Meeting continuing to

transact business other than the question on which the ballot is demanded.

25.4. A ballot is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Shareholders) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the ballot was demanded but will be treated as passed when the result is declared.

25.5. A ballot on the election of a chair or an adjournment must be taken immediately. A ballot on any other question may be taken either immediately or at such time and place as the Chair directs.

25.6. At least 7 clear days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.

26. SHAREHOLDERS' WRITTEN RESOLUTIONS

26.1. Subject to the Act, a written resolution signed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the Shareholders entitled to attend and vote at a General Meeting (provided those Shareholders would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting.

26.2. A resolution under Article 26.1 may consist of several documents in similar form each signed by one or more Shareholders.

26.3. A resolution under Article 26.1 may be signed for a corporate body or an organisation which is a Shareholder by its authorised representative, a Member of its governing body or secretary, its solicitor or by an attorney.

PART D. DIRECTORS

27. APPOINTMENT AND RETIREMENT OF DIRECTORS

27.1. Unless the Shareholders decide otherwise by ordinary resolution the number of Directors shall not be less than three.

27.2. All of the Directors are to be appointed by ordinary resolution of the Shareholders.

27.3. The appointment of a Director takes effect at the point at which the Shareholder resolution appointing him is passed.

27.4. No Director may be appointed except as set out in the Articles.

27.5. Subject to sections 168 and 169 of the Act, the Shareholders may remove any or all of the Directors at any time (with or without reason) by ordinary resolution.

27.6. The Shareholders may appoint a person as a Director either in substitution for a Director it has removed or to fill a casual vacancy.

27.7. A Director will cease to hold office if he:-

27.7.1. dies;

27.7.2. ceases to be a Director under the Act or is prohibited by law from being a Director;

27.7.3. resigns by written notice to the Company delivered to the Registered Office;

27.7.4. is removed by ordinary resolution of the Shareholders;

27.7.5. he becomes bankrupt or makes any arrangement or composition with his creditors generally;

27.7.6. he is, or may be, suffering from mental disorder and either:

27.7.6.1. he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Care and Treatment) (Scotland) Act 2003; or

27.7.6.2. an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a deputy, curator bonis or other person to exercise powers with respect to his property or affairs.

27A ALTERNATE DIRECTORS

27A.1 Any Director (the “Appointer”) may appoint as an alternate (“Alternate Director”) any other Director, or any other person from a list of persons approved by resolution of the Directors to:

27A.1.1 exercise that Director’s powers; and

27A.1.2 carry out that Director’s responsibilities;

in relation to the taking of decisions by the Board or any Committee in the absence of the relevant Appointer.

27A.2 Any appointment or removal of an Alternate Director must be effected by notice in writing to the Company signed by the Appointer or in any other manner approved by the Board.

27A.3 The notice must:

27A.3.1 identify the proposed Alternate Director; and

27A.3.2 in the case of a notice of appointment of an Alternate Director contain a statement signed by the proposed Alternate Director that he is willing to act as the alternate of the Director giving the notice.

27A.4 An Alternate Director’s appointment terminates on the earlier of either of the following:

27A.4.1 the date specified in a notice from the Appointer to the Company revoking the appointment of the Alternate Director; or

27A.4.2 the date the Appointer ceases to be a Director in accordance with Article 27.7

27B RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

27B.1 An Alternate Director may act as an Alternate Director to more than one Director and has the same rights in relation to any decision of the Board as the relevant Appointer.

27B.2 Except as the Articles specify otherwise, Alternate Directors:

27B.2.1 are deemed for all purposes to be Directors when acting as an Alternate Director;

27B.2.2 are liable for their own acts and omissions;

27B.2.3 are subject to the same restrictions as their Appointer;

27B.2.4 are not deemed to be agents of or for their Appointer; and

27B.2.5 in particular and without limitation, each Alternate Director shall be entitled to receive notice of all meetings of the Board and all Committees of which his Appointer is a member.

27B.3 An Alternate Director who is not in their own right a Director:

27B.3.1 may be included for the purposes of determining whether a quorum is present for any Board Meeting or a Committee provided that his Appointer is eligible to be included in the quorum and is not participating;

27B.3.2 may participate in a decision of the Board or any Committee provided that his Appointer is eligible to participate in the decision of the Board or Committee but is not participating; and

27B.3.3 shall be counted as more than one Director for the purposes of Article 27B.3.1 where he is appointed by two different Appointers.

27B.4 An Alternate Director who is a Director in his own right is entitled in the absence of his Appointer:

27B.4.1 to be counted twice for the purposes of quorum in his own right as a Director and as an Alternate Director for his Appointer provided that both he and his Appointer are eligible for quorum; and

27B.4.2 to have a separate vote on behalf of his Appointer, in addition to his own vote on any decision of the Board or a Committee provided that he and

his Appointer are both eligible to take part in the decision. Where only the Appointer is eligible to take part then the Alternate Director will only have one vote.

27B.5 An Alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his Appointer but shall not be entitled to receive any fee from the Company for serving as an Alternate Director except such part of the Appointer's fee (to the extent the Appointer receives any fee in accordance with Article 28) as the Appointer may direct by notice in writing to the Company. Where any Alternate Director is an employee of the Council then no fee may be paid even if the Appointer was eligible for a fee. Where any Alternate Director is an elected member of the Council or any local authority that is a shareholder then Article 28.5 shall apply as if the reference to Director in that Article was to Alternate Director.

28. DIRECTORS' FEES AND EXPENSES

28.1. Subject to Article 28.3 and Article 28.5 a Director who is not an employee of the Council may be paid such fee as the remainder of the Board may from time to time determine.

28.2. This provision applies if the majority of the issued share capital of the Company is held by a charity. In such circumstances any Director who is a trustee or director of that charity will be entitled to receive a fee only if and to the extent he would be able to receive such payment from the charity but has not in fact done so.

28.3. Directors who are not employees or members of the Council are entitled to be paid all reasonable expenses properly incurred by them in attending Board Meetings and General Meetings and in carrying out their duties as Directors. Directors who are employees of the Council may claim expenses in line with their contracts of employment with the Council.

28.4. Where any Director is an elected member (to include any directly elected mayor) of the Council or any local authority that is a Shareholder then such a Director may only be paid such fees and/or expenses as are permitted by the Local Authorities (Companies) Order 1995.

28.5. The payment of expenses to Directors who are not employees or members of the Council is subject to the production of satisfactory receipts.

29. DIRECTORS' INTERESTS

29.1. A Director who has a direct or indirect interest in any contract, proposed contract, arrangement or dealing with the Company must declare his interest under sections 177 or 182 of the Act (as appropriate) before the matter is discussed by the Board.

29.2. Every Director must ensure that at all times a list is kept at the Registered Office including details of:-

29.2.1. any other body of which he is a director or officer;

29.2.2. any firm of which he is a partner;

29.2.3. any firm or organisation of which he is an employee;

29.2.4. any public body of which he is an official or elected Shareholder;

29.2.5. any company whose shares are publicly quoted in which he owns or controls more than 2% of the shares;

29.2.6. any company whose shares are not publicly quoted in which he owns or controls more than 10% of the shares;

29.2.7. any property owned by the Company or the Parent in which he has an interest or which he occupies; or

29.2.8. any other interest which is significant or material including any direct or indirect financial interest which may influence his judgement on matters being considered or to be considered by the Board.

29.3. A decision of the Board will not be invalid because of the subsequent discovery of an interest which should have been declared.

29.4. Every Director must ensure that at all times he declares to either the Secretary in writing or to a Board Meeting if a person with whom he is “connected” for the purposes of Section 252 of the Act:-

29.4.1. is likely to receive a payment or benefit from the Company;

29.4.2. is a director, officer or employee of a company, body or organisation which is likely to receive a payment or benefit from the Company;

29.4.3. is a partner of a firm which is likely to receive a payment or benefit from the Company;

29.4.4. is an official or elected shareholder of a public body which may make or receive a payment or benefit to or from the Company;

29.4.5. is the owner or controller of more than 2% of the shares of a company whose shares are publicly quoted and which may make or receive payment or benefit to or from the Company;

29.4.6. is the owner or controller of more than 10% of the shares of any company whose shares are not publicly quoted, which may make or receive a payment or benefit to or from the Company; or

29.4.7. is a tenant or occupier of any property owned by the Company or is seeking accommodation from the Company.

29.5. A general notice to the Board that a Director has an interest, of the nature and extent specified in the notice, in any transaction or arrangement in which a specified person or class of persons is interested, is to be treated as a disclosure that the Director has an interest in any such transaction of the nature and extent specified.

29.6. For the purposes of this Article 29 an interest of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge is not to be treated as an interest of that Director.

29.7. **Personal Interests**

29.7.1. A Director has a personal interest in a matter which is to be discussed or determined by the Board if he or a member of the Director's family as defined in section 253 of the Act will be directly affected by the decision of the Board in relation to that matter.

29.7.2. A Director who has a personal interest in a matter which is to be discussed or determined by the Board:-

29.7.2.1. may not count towards the quorum in relation to that matter;

29.7.2.2. may not take part in the discussion in relation to that matter;

29.7.2.3. may not vote in relation to that matter; and

29.7.2.4. must leave the Board Meeting at which the matter is discussed and determined.

29.8. Despite having a personal interest in the outcome, a Director may count towards the quorum, take part in the discussion and vote on a resolution of the Board (other than a resolution to make a payment or grant a benefit to the Director personally which is not at the same time being granted to the other Directors):

29.8.1. to take out Directors and officers indemnity insurance;

29.8.2. to give an indemnity or to establish a policy for the Company to give indemnities to the Directors generally under Article 38; or

29.8.3. to set a policy for the payment of Directors' fees and expenses under Article 28.

29.9. In the event that there are not sufficient Directors to hold a quorate Board Meeting because one or more Directors have a personal interest in a relevant matter and are not permitted to form part of the quorum, then those Directors with a personal interest may form part of the quorum for the purposes of agreeing to circulate an ordinary resolution to the Shareholders detailing the extent of the conflict arising from the personal interest and requesting the Shareholders to authorise the Director's conflict arising from their personal interest.

29.10. In the event that a resolution is passed by the Shareholders in accordance with Article 29.9, the Director(s) with such an authorised personal interest may then count as part of the quorum and for voting purposes in relation to the relevant matter.

29.11. Non-Personal Interests

29.11.1. A Director who has an interest in a matter which is to be discussed or determined by the Board but which is not a personal interest may, subject to his fulfilling his duty to act in the best interests of the Company and to the right of the remaining Directors to require that he should withdraw from the Board Meeting at which the matter is to be discussed or determined:-

29.11.1.1. count towards the quorum in relation to that matter;

29.11.1.2. take part in the discussion in relation to that matter;

29.11.1.3. remain in the Board Meeting at which the matter is to be discussed or determined; and

29.11.1.4. vote in relation to that matter.

29.11.2. A Director is not to be regarded for the purposes of this Article 29 as having a non-personal interest in any matter if his interest in that matter arises solely because:

29.11.2.1. he is a Director or an officer of any body the accounts of which are consolidated with the Company's accounts;

29.11.2.2. he is an elected member, employee or officer of the Council or any local authority that is a Shareholder;

29.11.2.3. he is a director or officer of any subsidiary of the Company; and/or

29.11.2.4. he is a director or officer of the Company's holding company or another person that wholly owns the Company;

but he must nonetheless disclose his interest in accordance with Article 29.1.

29.12. A Director may disclose the business of the Company to the Council where the Council is a Shareholder.

DRAFT

PART E. BOARD MEETINGS

30. POWERS OF THE BOARD

30.1. Subject to the Act, the Articles and any Relevant Agreement, the business of the Company is to be managed by the Board who may exercise all the powers of the Company.

30.2. Alterations of the Articles do not invalidate earlier acts of the Board which would have been valid without the alteration.

30.3. The Shareholders may, by special resolution, direct the Board and/or any Director to take, or refrain from taking, specified action.

30.4. No special resolution under Article 30.3 shall invalidate anything which the Board and/or any Director may have done before the resolution is passed.

30.5. Decisions on matters specified in a Relevant Agreement or otherwise and designated as "Shareholder Reserved Matters" shall be reserved to the Shareholders of the Company from time to time for their prior approval.

31. BOARD MEETINGS

31.1. Subject to the Articles and any Relevant Agreement, the Board may regulate Board Meetings as it wishes.

31.2. Board Meetings are to be called by any Director or the Secretary (if any).

31.3. Seven clear days' notice of Board Meetings must be given to each of the Directors but it is not necessary to give notice of a Board Meeting to a Director who is out of the United Kingdom.

31.4. A Board Meeting which is called on shorter notice than required under Article 31.3 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstance it ought to be carried as a matter of urgency.

31.5. Questions arising at a Board Meeting are to be decided by a simple majority of votes and each Director is to have one vote. Where a Director is also an Alternate Director then he has an additional vote on behalf of each Appointer who is:

31.5.1. Not participating in the Board Meeting; and

31.5.2. Would have been entitled to vote if they were participating in it.

31.6. If there is an equality of votes the Chair is entitled to a second or casting vote.

31.7. A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.

32. QUORUM FOR BOARD MEETINGS

32.1. Subject to Article 32.3, the quorum for Board Meetings is three Directors.

32.2. A Director may be part of the quorum of a Board Meeting if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

32.3. The Board may act despite vacancies in its number but if the number of Directors is less than three the Board may act only to procure the appointment of Directors by ordinary resolution of the Shareholders under Article 27.2.

32.4. At an inquorate Board Meeting or one which becomes inquorate for more than 20 minutes the Directors present may act only to call a General Meeting.

33. CHAIR

33.1. The Company must have a Chair. The Chair (and any deputy who serves in his/her place) must be elected by the Directors from amongst their number.

33.2. The Chair is to hold office for 3 years or such other period as the Board shall from time to time determine.

33.3. The Chair may resign from his position at any time (without necessarily resigning as a Director at the same time).

33.4. Where there is no Chair the first item of business of a Board Meeting must be to elect one.

33.5. The Chair may be removed from the office of Chair (but not as a Director) only at a Board Meeting called for the purpose where the resolution to remove him is passed by 75% of the Directors who are present and voting. The Chair must be given an opportunity to say why he should not be removed.

33.6. The Chair is to chair all Board Meetings at which he is present unless he does not wish to do so.

33.7. If the Chair is not present within 10 minutes after the starting time of a Board Meeting another Director must chair that Board Meeting during the Chair's absence.

33.8. If the Chair is absent or does not wish to chair the Board Meeting then the Board must elect one of the other Directors who is present to chair the Board Meeting during the Chair's absence.

34. DELEGATION

34.1. The Board may:

34.1.1. establish Committees consisting of those persons the Board decides;

34.1.2. delegate to a Committee any of its powers;

34.1.3. determine the quorum for Committee meetings; and

34.1.4. revoke (in whole or in part) or alter a delegation at any time.

34.2. The Members of a Committee are to be appointed by the Board to hold office for whatever period the Board decides and may be removed or replaced by the Board at any time.

34.3. The Board may specify the financial limits within which any Committee must function.

34.4. The Board may authorise a Committee to operate any bank account. The Board must decide upon the way in which that account must be operated.

34.5. The Board may also delegate to any Directors or any other person such of their powers as they consider desirable to be exercised by him. The Board may revoke (in whole or in part) or alter such a delegation at any time.

35. OBSERVERS

35.1. The Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms they decide.

35.2. Observers may not vote, but may take part in discussions unless the Board decides otherwise.

35.3. The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

36. DIRECTORS' WRITTEN RESOLUTIONS

36.1. A written resolution signed by all of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting) is as valid as if it had been passed at a Board Meeting.

36.2. A written resolution signed by all of the members of a Committee (provided they would constitute a quorum of that Committee) is as valid as if it had been passed at a meeting of that Committee.

36.3. A resolution under Articles 36.1 or 36.2 may consist of several documents in similar form each signed by one or more of the Directors or Committee members and will be treated as passed on the date of the last signature.

DRAFT

PART F. OFFICERS

37. THE SECRETARY

37.1. The Board may decide whether to appoint a Secretary and for what term.

37.2. Where appointed a Secretary may be removed by the Board at any time.

37.3. No Director may occupy a salaried position of Secretary.

37.4. Where any Secretary appointed is an employee of the Council then he shall not be paid any fee or expenses by the Company.

38. INDEMNITIES FOR OFFICERS AND EMPLOYEES

38.1. No officer or employee is to be liable for losses suffered by the Company except those due to his own dishonesty or gross negligence.

38.2. Subject to the Act every Director, officer or employee is to be indemnified by the Company against any liability incurred in the discharge of his duties or in that capacity in defending any civil or criminal proceedings as long as:

38.2.1. judgment is given in his favour (or the proceedings are dealt with without a finding or admission of a material breach of duty by him);
or

38.2.2. he is acquitted; or

38.2.3. relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

PART G. STATUTORY AND MISCELLANEOUS

39. MINUTES

39.1. The Board must arrange for minutes to be kept of all Board and General Meetings. The names of the Directors present must be included in the minutes.

39.2. Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably possible after the meeting.

39.3. Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings). Once approved they must be signed by the person chairing the meeting at which they are approved.

39.4. The Board must keep minutes of all of the appointments made by the Board.

40. ACCOUNTS ANNUAL REPORT AND ANNUAL RETURN

40.1. The Company must comply with Part 15 of the Act in:-

40.1.1. preparing and filing an annual Directors' report and annual accounts; and

40.1.2. making an annual return to the Registrar of Companies.

40.2. The Company must comply with Part 16 of the Act in relation to the audit or examination of accounts to the extent that the law requires.

40.3. The annual Directors report and accounts must contain:-

40.3.1. the revenue accounts and balance sheet for the last accounting period;

40.3.2. the auditor's report on those accounts (if applicable); and

40.3.3. the Board's report on the affairs of the Company.

40.4. The accounting records of the Company must always be open to inspection by a Director.

41. BANK AND BUILDING SOCIETY ACCOUNTS

41.1. All bank and building society accounts must be controlled by the Directors and must include the name of the Company.

41.2. Cheques and orders for the payment of money must be signed in accordance with the Board's instructions.

42. EXECUTION OF DOCUMENTS

42.1. If the Company has a seal it may only be used with the authority of the Board (which may be given generally for documents of a particular type).

42.2. Unless the Board decides otherwise, documents to which the seal is attached or which are executed as deeds must be signed by:

42.2.1. two Directors; or

42.2.2. one Director and the Secretary (where appointed); or

42.2.3. one Director in the presence of a witness who attests the Director's signature.

43. NOTICES

43.1. Notices under the Articles must be in writing (which shall include suitable electronic means) except notices calling Board Meetings.

43.2. A Shareholder present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.

43.3. The Company may give a notice to a Shareholder, Director or auditor:

43.3.1. personally;

43.3.2. by sending it by post in a prepaid envelope;

- 43.3.3. by suitable electronic means;
- 43.3.4. by leaving it at his address; or
- 43.3.5. as the Board prescribes from time to time.

43.4. Notices under Article 43.3.2 to 43.3.4 may be sent:

- 43.4.1. to an address in the United Kingdom which that person has given the Company;
- 43.4.2. to the last known home or business address of the person to be served; or
- 43.4.3. to that person's address in the Company's register of Shareholders.

43.5. Any notice given in accordance with the Articles is to be treated for all purposes as having been received:

- 40.5.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
- 40.5.2 48 hours after being sent by first class post to that address;
- 40.5.3 on being handed to a Shareholder or Director personally;
- 40.5.4 as soon as the Shareholder or Director acknowledges actual receipt.

43.6. A notice may be served on the Company by delivering it or sending it to the Registered Office or by handing it to the Secretary (where appointed).

43.7. The Board may make standing orders to define other acceptable methods of delivering notices.

44. STANDING ORDERS

44.1. Subject to Article 44.4

44.1.1. the Board may from time to time adopt, alter, add to or repeal make standing orders for the proper conduct and management of the Company; and

44.1.2. the Company in General Meeting may alter, add to or repeal the standing orders.

44.2. The Board must use such means as they think sufficient to bring the standing orders to the notice of Shareholders.

44.3. Standing orders are binding on all Shareholders and Directors.

44.4. No standing order may be inconsistent with or may affect or repeal anything in the Articles.

DRAFT