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A PRIVATE COMPANY GUARANTEE

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## PART 1 INTERPRETATION AND LIABILITY

### Defined terms

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

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency in a jurisdiction other than England and Wales or Northern Ireland having an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 25;

“chairman of the meeting” has the meaning given in section 2 of the Companies Act 2006;

“Companies Acts” means the Companies Act 2006, in so far as it relates to companies;

“director” means a director of the company or any person occupying the position of director, by whatever name called;

“document” includes, unless otherwise stated, a document sent or supplied in electronic form;

“electronic form” has the meaning given in section 8 of the Companies Act 2006;

“member” has the meaning given in section 1 of the Companies Act 2006;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a dividend, has the meaning given in article 10;

“proxy notice” has the meaning given in section 33 of the Companies Act 2006;

“special resolution” has the meaning given in section 33 of the Companies Act 2006;

“subsidiary” has the meaning given in section 115 of the Companies Act 2006; and

“writing” means the representation of information in a visible form by whatever means or by any combination of methods, whether sent or supplied in electronic form or otherwise.

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

### Liability of members

2. The liability of each member of the company shall be limited to the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for—

(a) payment of the company’s debts and liabilities contracted before he ceases to be a member,

(b) payment of the costs, charges and expenses of winding up, and

(c) adjustment of the rights of the members among themselves.

## PART 2 DIRECTORS DIRECTORS' POWERS AND

### **Directors' general authority**

3. Subject to the articles, the directors are responsible for the management of the company's business, for which they shall exercise all the powers of the company.

### **Members' reserve power**

4.—(1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution shall be valid unless it is passed before the passing of the resolution to which it relates.

### **Directors may delegate**

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles to—

- (a) to such person or committee as they think fit;
- (b) by such means (including by power of attorney) as they think fit;
- (c) to such an extent;
- (d) in relation to such matters or classes of matters;
- (e) on such terms and conditions as they think fit.

(2) If the directors so specify, any delegation of powers by the directors may authorise further delegation by the directors.

(3) The directors may revoke or vary any delegation of powers by them at any time.

### **Committees**

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based on those provisions of the articles which govern the taking of decisions by the directors.

(2) The directors may make any arrangements for the delegation of powers to committees, which shall prevail over rules derived from the articles.

## DECISION-MAKING BY DIRECTORS

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

7.—(1) The general rule about the way in which the directors must take decisions is that any decision of the directors must be either a decision taken in a meeting or a decision taken in accordance with article 8.

(2) If—

- (a) the company only has one director, or
- (b) no provision of the articles applies to the company, then the general rule does not apply and the directors may take decisions without regard to any of the provisions of the articles.

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than one director, the directors may take decisions without regard to any of the provisions of the articles.

## Unanimous decisions

8.—(1) A decision of the directors is unanimous if all eligible directors indicate to each other that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director, or of an otherwise indicated agreement.

(3) References in this article to a decision of the directors are to directors who would have been entitled to vote on the matter if the decision were proposed as a resolution at a directors' meeting.

(4) A decision may not be made if the eligible directors would not have formed a unanimous view.

## Calling a directors' meeting

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

(2) Notice of any directors' meeting must be given to—

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors will not be in the same place, how it is proposed that the meeting be conducted.

(3) Notice of a directors' meeting may be given orally or in writing.

(4) Notice of a directors' meeting may be given to directors who waive their entitlement to notice of that meeting, or to that effect to the company, at any time not more than 7 days after the meeting is held. Where such notice is given after the meeting has been held, it does not affect the validity of the meeting, or of any business conducted at the meeting.

## Participation in directors' meetings

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

- (a) the meeting has been called in accordance with the articles, and
- (b) they can each communicate with each other during the meeting on any particular item of the business.

(2) In determining whether directors can communicate with each other, it is irrelevant where any director is located.

(3) If all the directors participating in a directors' meeting decide that the meeting is to be conducted otherwise than in the same place, they may do so wherever any of them is.

## Quorum for directors' meetings

11.—(1) At a directors' meeting, a decision may only be voted on, except a proposal to amend the articles, if a quorum is present.

(2) The quorum for directors' meetings is determined by a decision of the directors, but if not otherwise fixed it is two.

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in accordance with this article when all eligible directors indicate to each other that they share a common view on a matter.

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- (a) the meeting has been called in accordance with the articles, and
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If all the directors participating in a directors' meeting decide that the meeting is to be conducted otherwise than in the same place, they may do so wherever any of them is.

At a directors' meeting, a decision may only be voted on, except a proposal to amend the articles, if a quorum is present.

The quorum for directors' meetings is determined by a decision of the directors, but if not otherwise fixed it is two.

(3) If the total number of directors present at a meeting is less than the quorum required, the directors must not make any decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to appoint further directors.

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

**12.—**(1) The directors may appoint one of their members to chair their meetings.

(2) The person so appointed shall be known as the chairman.

(3) The directors may terminate the appointment at any time.

(4) If the chairman is not present at the time at which it was to chair the meeting, the directors must appoint one of themselves to chair it.

### **Casting vote**

**13.—**(1) If the numbers of votes cast by the chairman or other director chairing the meeting are equal, the chairman shall have a casting vote.

(2) But this does not apply if the director is not to be counted as part of the quorum or voting purposes.

### **Conflicts of interest**

**14.—**(1) If a proposed decision involves a proposed transaction or arrangement in which a director is interested, that director is not to be counted as part of the quorum or voting purposes for the decision-making process.

(2) But if paragraph (3) applies, a director is interested in an actual or proposed transaction or arrangement if the company is to be counted as part of the quorum and voting purposes.

(3) This paragraph applies if—

(a) the company by ordinary resolution has decided that a director would otherwise prevent a director from participating in the decision-making process;

(b) the director's interest cannot be regarded as a conflict of interest; or

(c) the director's conflict of interest is not likely to give rise to a conflict of interest.

(4) For the purposes of this paragraph, a director is interested in a proposed transaction or arrangement if—

(a) a guarantee given, or to be given, by or on behalf of the company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for any securities of the company or any of its subsidiaries, or to underwrite such securities; and

(c) arrangements pursuant to which the company or any of its subsidiaries is to make payments to directors or former employees of the company or any of its subsidiaries which do not provide special benefits.

(5) For the purposes of this paragraph, the decision-making processes include any process for making decisions and decision-making processes.

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available to employees and former directors of the company or any of its subsidiaries or former directors.

posed decisions and decision-making processes, including any process for making decisions and decision-making processes.

(6) Subject to paragraph (7) a director or member of a committee of directors as to the business of the company (or part of the meeting) for voting on the question may, before the conclusion of the meeting, be asked by any other director or member of the committee other than the chairman to state his opinion on the question.

(7) If any question as to the business of the company (or part of the meeting) should arise in respect of a question which is to be decided by a decision of the directors at that meeting, the chairman shall be counted as participating in the meeting for quorum purposes.

#### **Records of decisions to be kept**

**15.** The directors must ensure that a record is kept of every unanimous or majority decision taken by the directors.

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

**16.** Subject to the articles, the directors may make any rule which they think fit about how they take decisions and how those decisions are communicated to directors.

### **APPOINTMENT OF DIRECTORS**

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

**17.—**(1) Any person who is qualified to be appointed to be a director, and is permitted by law to do so, may be appointed to be a director by—

- (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 representative of the deceased director is entitled to be appointed to the office of director, the personal representative, by notice in writing, to appoint himself to the office of director.

(3) For the purposes of paragraph (2), if 2 or more members die in the same circumstances rendering it unlikely that more than one of them will survive, a younger member is deemed to have survived an older member.

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

**18.** A person ceases to be a director if—

- (a) that person ceases to be a director under the Companies Act 2006 or is prohibited from acting as a director;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person in respect of his or her person's debts;
- (d) a registered medical practitioner gives a written opinion to the company stating that that person is incapable of acting as a director;
- (e) by reason of that person's physical or mental incapacity, that person is prevented from acting as a director.

a meeting of directors or of a committee of directors, to participate in the meeting (or part of the meeting) for voting on the question may, before the conclusion of the meeting, be asked by any other director or member of the committee whose ruling in relation to any question is to be decided by a decision of the directors at that meeting, the chairman shall be counted as participating in the meeting for quorum purposes.

(7) If any question as to the business of the company (or part of the meeting) should arise in respect of a question which is to be decided by a decision of the directors at that meeting, the chairman shall be counted as participating in the meeting for quorum purposes.

keeps a record, in writing, for at least 10 years from the date of every unanimous or majority decision taken by the directors.

may make any rule which they think fit about how they take decisions and how those decisions are to be recorded or communicated to directors.

qualified to be appointed to be a director, and is permitted by law to do so, may be appointed to be a director by—

company has no members and no member to have died have the right to be appointed to the office of director.

2 or more members die in the same circumstances rendering it unlikely that more than one of them will survive, a younger member is deemed to have survived an older member.

provision of the Companies Act 2006 or is prohibited from acting as a director;

generally in satisfaction of that person's debts;

person gives a written opinion to the company stating that that person is incapable of acting as a director;

makes an order which wholly or partly prevents that person from acting as a director.



(f) notification is received by the company of the director resigning from office, and such resignation is in accordance with its terms.

### **Directors' remuneration**

**19.**—(1) Directors may under the articles determine how the company may decide.

(2) Directors are entitled to salary or other remuneration as the directors determine—

(a) for their services to the company;

(b) for any other service which they may perform for the company.

(3) Subject to the articles, a director may—

(a) take any form, and

(b) include any arrangements for payment of a pension, allowance or gratuity, or any death, sickness or disablement benefit, to or in respect of that director.

(4) Unless the directors determine otherwise, a director's remuneration accrues from day to day.

(5) Unless the directors determine otherwise, a director is not accountable to the company for any remuneration received by him as a director or other officers or employees of the company's subsidiary or any other body corporate in which the company is interested.

### **Directors' expenses**

**20.** The company may pay or reimburse the expenses which the directors properly incur in connection with their duties.

(a) meetings of directors or committees of directors;

(b) general meetings, or

(c) separate meetings of the directors or committees of directors, or otherwise in connection with their duties and the discharge of their responsibilities in relation to the company.

## **PART 3 MEMBERS**

### **BECOMING AND CEASING TO BE A MEMBER**

#### **Applications for membership**

**21.** No person shall become a member of the company unless—

(a) that person has completed an application for membership in a form approved by the directors, and

(b) the directors have approved the application.

#### **Termination of membership**

**22.**—(1) A member may withdraw from the company by giving 7 days' notice to the company in writing.

(2) Membership is not transferred.

(3) A person's membership of the company ceases to exist if that person dies or ceases to exist.

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## ORGANISATION OF GENERAL MEETINGS

### Attendance and speaking at general meetings

**23.**—(1) A person is able to exercise the rights to speak at a general meeting when that person is in a position to exercise those rights at the meeting, during which the person has on the business of the meeting.

(2) A person is able to exercise the rights to speak at a general meeting when—

(a) that person is able to vote, or is entitled to vote, at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the meeting, or would be passed if all the other persons attending the meeting.

(3) The directors may make such arrangements as they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, two or more members attending the meeting together may be treated as one person.

(5) Two or more persons who are not members may, in place as each other attend a general meeting if they have (or were to have) the rights to speak and vote at the meeting, or would be able to exercise those rights.

### Quorum for general meetings

**24.** No business other than the business of the company may be transacted at a general meeting unless a quorum is present.

### Chairing general meetings

**25.**—(1) If the directors have not appointed a chairman of general meetings if present and attending the meeting,

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

(a) the directors present, or

(b) (if no directors are present) any members present,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be confirmed by a resolution of the meeting.

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

### Attendance and speaking by members

**26.**—(1) Directors may attend and speak at general meetings, whether or not they are members.

(2) The chairman of the meeting may invite any persons who are not members of the company to attend and speak at the meeting.

### Adjournment

**27.**—(1) If the persons attending the meeting at which the meeting was duly convened or adjourned cease to be a quorum, the meeting must adjourn.

(2) The chairman of the meeting must adjourn the meeting if—

- (a) the meeting consents to an adjournment,
- (b) it appears to the chairman that an adjournment is necessary to protect the safety of any person, or
- (c) the meeting is conducted in an improper manner.

(3) The chairman of the meeting must adjourn the meeting 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 continue at a time and place to which it may be adjourned, or
- (b) have regard to any directions which 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 chairman must give 7 clear days' notice of it (that is, excluding the day of the adjournment and the day on which the notice is given)—

- (a) to the same persons to whom notice of the meeting is required to be given, and
- (b) containing the same information as 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 from which the adjournment had not taken place.

## VOTING AT GENERAL MEETINGS

### Voting: general

**28.** A resolution put to the vote at a general meeting must be decided on a show of hands unless a poll is duly demanded.

### Errors and disputes

**29.**—(1) No objection may be raised to the result of a vote at a general meeting except at the meeting at which the vote is objected to is tendered, and even then only if the objection is made at that meeting.

(2) Any such objection must be decided on a show of hands and the decision is final.

### Poll votes

**30.**—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting, or
- (b) at a general meeting, either before or after the vote on that resolution or immediately after the result of the vote on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting,

within half an hour of the time at which the meeting was duly convened or adjourned, or if during a meeting a quorum ceases to be present, the meeting must adjourn it.

(2) The chairman of the meeting must adjourn the meeting if—

- (a) the meeting consents to an adjournment,
- (b) it appears to the chairman that an adjournment is necessary to protect the safety of any person, or
- (c) the meeting is conducted in an improper manner.

(3) The chairman of the meeting must adjourn the meeting 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 continue at a time and place to which it may be adjourned, or
- (b) have regard to any directions which 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 chairman must give 7 clear days' notice of it (that is, excluding the day of the adjournment and the day on which the notice is given)—

- (a) to the same persons to whom notice of the meeting is required to be given, and

(b) containing the same information as 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 from which the adjournment had not taken place.

A resolution put to the vote at a general meeting must be decided on a show of hands unless a poll is duly demanded.

No objection may be raised to the result of a vote at a general meeting at which the vote is objected to is tendered, and even then only if the objection is made at that meeting.

Any such objection must be decided on a show of hands and the decision is final.

A poll on a resolution may be demanded—

- (a) in advance of the general meeting, or
- (b) at a general meeting, either before or after the vote on that resolution or immediately after the result of the vote on that resolution is declared.

- (b) the directors;
- (c) two or more persons having
- (d) a person or persons repres
- of all the members having the

- (3) A demand for a poll may
- (a) the poll has not yet been ta
- (b) the chairman of the meetin
- (4) Polls must be taken imr
- meeting directs.

### Content of proxy notices

**31.**—(1) Proxies may only

notice”) which—

- (a) states the name and addre
- (b) identifies the person appoin
- meeting in relation to which tha
- (c) is signed by or on behalf of
- in such manner as the director
- (d) is delivered to the company
- contained in the notice of the g

(2) The company may requ

and may specify different form

(3) Proxy notices may spec

that the proxy is to abstain from

(4) Unless a proxy notice inc

- (a) allowing the person appoin
- any ancillary or procedural res
- (b) appointing that person as a
- meeting to which it relates as v

### Delivery of proxy notices

**32.**—(1) A person who is e

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(2) An appointment under

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(3) A notice revoking a proxy

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## Amendments to resolutions

**33.—**(1) An ordinary resolution may be amended by ordinary resolution.

(a) notice of the proposed amendment must be given in writing to the company, and the notice must be given not less than 48 hours before the meeting is to be held (or such longer time as the chairman of the meeting may determine), and

(b) the proposed amendment must not, in the opinion of the chairman of the meeting, materially alter the substance of the resolution.

(2) A special resolution to be amended by ordinary resolution, if—

(a) the chairman of the meeting is of the opinion that the amendment is necessary to correct a grammatical error or other non-substantive error, or

(b) the amendment does not, in the opinion of the chairman of the meeting, materially alter the substance of the resolution.

(3) If the chairman of the meeting is of the opinion that an amendment to a resolution is necessary to correct a grammatical error or other non-substantive error, he may, without a vote, amend the resolution in that way.

## PART 4

## ADMINISTRATIVE ARRANGEMENTS

## Means of communication to members

**34.—**(1) Subject to the articles, any notice or document required to be sent to a member under the articles may be sent by any means by which the Companies Act 2006 provides for documents to be sent, or by any means authorised or required by any provision of that Act to be sent to a member.

(2) Subject to the articles, any notice or document required to be sent to a director in connection with the business of the company may be sent by any means by which the Companies Act 2006 provides for documents to be sent, or by any means authorised or required by any provision of that Act to be sent to a director.

(3) A director may agree with the company in writing that any notice or document required to be sent to him in a particular way may be sent by any other means specified in the agreement.

## Company seals

**35.—**(1) Any common seal of the company must be used in accordance with the authority of the directors.

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

(3) Unless otherwise decided by the directors, any document to which a common seal is affixed must be signed by at least one authorised person in the presence of the director.

(4) For the purposes of this section, a person is—

(a) any director of the company,

(b) the company secretary (if any), or

(c) any person authorised by the directors in writing to use the common seal on behalf of the company.

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## No right to inspect accounts

**36.** Except as provided by resolution of the company, no member has a right to inspect or require the production of any accounting or other records or documents of the company.

## Provision for employees on termination

**37.** The directors may determine or cause to be determined by resolution of the company a provision for the benefit of persons employed or formerly employed by the company or a director or former director of the company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that of any subsidiary.

## DIRECTORS' INDEMNITY AND CONTRIBUTION

### Indemnity

**38.—**(1) Subject to paragraph 39, a director of the company or an associated company may be indemnified—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company as trustee of an occupational pension scheme (as defined in the Pension Schemes Act 2006),
- (c) any other liability incurred by that director in connection with the activities of the company or an associated company.

(2) This article does not apply to the extent that it is rendered void by any provision of law.

(3) In this article—

- (a) companies are associated if they are both subsidiaries of the same body corporate,
- (b) a “relevant director” means a director of the company or an associated company.

### Insurance

**39.—**(1) The directors may cause the company to maintain or to procure the maintenance of insurance, at the expense of the company, for the relevant loss.

(2) In this article—

- (a) a “relevant director” means a director of the company or an associated company,
- (b) a “relevant loss” means any loss or damage sustained by a relevant director in connection with the activities of the company, any associated company or any subsidiary of the company or associated company,
- (c) companies are associated if they are both subsidiaries of the same body corporate.

the directors or an ordinary resolution of the company to inspect any of the company's accounting or other records or documents of being a member.

for the benefit of persons employed or formerly employed by of its subsidiaries (other than in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that of any subsidiary).

director of the company or an associated company's assets against—

with any negligence, default, breach of duty or breach of trust in relation to any or an associated company.

with the activities of the company or an associated company as trustee of an occupational pension scheme (as defined in the Pension Schemes Act 2006),

director of the company or an associated company.

which would be prohibited or restricted by or by any other provision of law.

the other or both are

director of the company or an associated company.

and maintain insurance, at the expense of the company, for the relevant loss in respect of any director of the company or an associated company.

director of the company or an associated company.

has been or may be incurred by a relevant director in connection with the activities of the company, any associated company or any subsidiary of the company or associated company or employees' share scheme

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