

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

UK Shared Business Services Limited

(the "Company")

(adopted by special resolution passed on 17 July 2023)

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ARTICLES OF ASSOCIATION

of

UK Shared Business Services Limited

(Company Number 6330639)

(adopted by special resolution passed on 17 July 2023)

PART 1

INTERPRETATION, LIMITATION OF LIABILITY, GENERAL AND OBJECTS

1. DEFINED TERMS

1.1 In the articles, unless the context requires otherwise:

"Accounting Officer"	the accounting officer of the Company responsible for the financial matters ^a of the Company and the preparation of its accounts;
"the Act"	the Companies Act 2006;
"Approved Transfer"	has the meaning as given in Article 8.3;
"these articles"	means the company's articles of association and the regulations of the Company from time to time in force;
"Adoption Date"	the date of adoption of these articles;
"the Auditors"	the Auditors for the time being of the Company;
"the Board"	the Board of Directors for the time being of the Company;
"the Chair"	the chair of the Board;
"the Chief Executive"	the Chief Executive for the time being of the Company;
"clear days"	in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and on which it is to take effect;
"Company"	has the meaning given in Article 3.2;
"bankruptcy"	includes individual insolvency proceedings in a jurisdiction other than England and Wales and Northern Ireland which have an effect similar to that of bankruptcy;
"Deferred Shares"	the deferred shares of £1 (one pound sterling) each in the capital of the Company having the rights set out in these Articles;

"Directors"	the Non-Executive Directors, the Chair and the Office Holding Directors of the Company as specified in Article 13.1
"Directors' Liability Insurance"	a policy of insurance taken out with a reputable insurance company which covers the liability which a Director may incur in his position as a Director of the Company in connection with a Director's duties or powers in relation to the Company, any pension fund or employees' share scheme of the Company;
"Electronic Form"	has the meaning given in section 1168 of the Act;
"Exit Notice"	an irrevocable notice in writing given by one Shareholder to the other Shareholders that it will exit the Company on not less than twelve months' notice;
"GD Directors"	has the meaning as given in 13.5.2;
"GD Shares"	the shares of £1 (one pound sterling) each in the Company having the rights set out in these Articles;
"GD Shareholder"	the Holder of the GD Shares;
"Government Department Holder"	any Ministerial Department of His Majesty's Government of the United Kingdom and/or the Northern Irish, Scottish or Welsh Governments from time to time;
"Holder"	in relation to a share, the person whose name is entered in the register of members as the holder of that share from time to time;
"Member" "Shareholder"	or in respect of any share means the person entered in the Company's register of members as the Holder of that share; unless otherwise expressly stated in these Articles, the Holders of the Sponsor Shares, GD Shares or NGD Shares as listed in the Company's register of members from time to time;
"Ministerial Department"	a department of His Majesty's Government led by a Secretary of State (or equivalent) or a Minister of the United Kingdom Crown;
"month"	a calendar month;
"NGD Directors"	has the meaning as given in 13.5.3;
"NGD Shares"	the shares of £1 (one pound sterling) each in the Company having the rights set out in these Articles;
"NGD Shareholder"	the Holder of the NGD Shares;
"Non-Executive Director"	a director of the Company who is not a full or part-time employee of the Company or holder of an executive office and usually devotes only part of their time to the affairs of the Company;
"Non-Voting Shares"	the Non-Voting shares of £1 (one pound sterling) each in the Company having the rights set out in these Articles;

"the Office"	the registered office of the Company;
"Office Holding Directors"	the Chief Executive and other executive Directors of the Company appointed in accordance with these Articles and "Office Holding Director" shall have a corresponding meaning;
"Shareholders"	means the Holder of the shares from time to time;
"shares"	the GD Shares, NGD Shares, Sponsor Shares, Non-Voting Shares and/or the Deferred Shares as the context so requires and " share " shall be construed accordingly;
"Sponsor Director"	has the meaning as given in 13.5.1;
"Sponsor Shareholder"	the Holder of the Sponsor Shares;
"Sponsor Shares"	the shares of £1 (one pound sterling) each in the Company having the rights set out in these Articles;
"the United Kingdom"	Great Britain and Northern Ireland; and
"writing"	written, printed or lithographed, or partly one and partly another, and other models, methods or combination of methods of representing or producing words in a visible form, whether sent or supplied in Electronic Form or otherwise.

1.2 In these Articles, unless the context otherwise requires, any reference to:

- 1.2.1 any reference to an Article shall be to an article of these Articles;
- 1.2.2 words importing the singular shall include the plural and vice versa;
- 1.2.3 words importing one gender only shall include all genders;
- 1.2.4 a "**person**" includes any individual, firm, partnership, unincorporated body, company, government and government entity (in each case whether or not having separate legal personality) and (where applicable) that person's personal representatives, trustees in bankruptcy and successors;
- 1.2.5 a "**document**" includes, unless otherwise specified, any document sent or supplied in Electronic Form;
- 1.2.6 a "**company**" shall include any company, corporation or other body corporate, wherever and however incorporated or established; and
- 1.2.7 subject as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meanings in these Articles.

1.3 A reference to a statute, statutory provision, subordinate legislation or other enactment:

- 1.3.1 is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment; and

1.3.2 includes any statute, statutory provision, subordinate legislation or other enactment which it amends or re-enacts.

except to the extent that any such amendment, extension or re-enactment made after the Adoption Date would increase the liability of any person

1.4 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.5 A reference to a "**transfer of shares**" or any similar expression shall include a sale or transfer of any interest in any shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any shares.

1.6 The phrases "**to the extent**" and "**to the extent that**" shall not be interpreted as simply having the same meaning as "**if**".

1.7 Neither the Regulations in Table A in the Companies (Table A to F) Regulations 1985 nor the model articles contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 apply to the Company.

2. **LIABILITY OF MEMBERS**

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

3. **GENERAL**

3.1 The Sponsor Shares, the GD Shares and the NGD Shares shall rank pari passu in all respects save as specifically provided in these Articles.

3.2 The name of the Company is "UK Shared Business Services Limited" (the "**Company**").

3.3 The registered office of the Company is to be situated in England and Wales.

PART 2

ISSUE OF SHARES AND SHARE CAPITAL

SHARES

4. **ISSUE OF SHARES AND SHARE CAPITAL**

4.1 The authorised share capital of the Company shall be unlimited. The Board shall only be entitled to allot and issue new shares in the Company with the approval of the Shareholders passed by a unanimous resolution at a general meeting or otherwise in accordance with these Articles.

4.2 No Sponsor Share and no rights in respect of a Sponsor Share may be issued or granted to, or held by, any person or entity other than a Government Department Holder.

4.3 No GD Share and no rights in respect of a GD Share may be issued or granted to, or held by, any person or entity other than a Government Department Holder.

- 4.4 No NGD Share and no rights in respect of a NGD Share may be issued or granted to, or held by, any person or entity other than an entity which is not a Government Department Holder but which to the satisfaction of the Board will not cause the Shareholders to lose their ability to award contracts to the Company without the requirement for a procurement exercise in accordance with regulation 12 of the Public Contracts Regulations 2015 by virtue of such person becoming a shareholder in the Company.
- 4.5 For the avoidance of doubt, subject to Article 4.1, no new Non-Voting Shares shall be allotted and issued (or rights granted in respect of Non-Voting Shares) after the Adoption Date.
- 4.6 Every person who wishes to become a member of the Company shall deliver to the Company an application for membership in such form as the Board requires to be executed by it.
- 4.7 No share shall be issued other than a fully paid up share.
- 4.8 The Company may reduce its share capital with the approval of the Shareholders passed by a unanimous resolution at a general meeting or otherwise in accordance with these Articles.

5. CLASS RIGHTS

- 5.1 The Sponsor Shares, the GD Shares, the NGD Shares, the Non-Voting Shares and the Deferred Shares shall have and enjoy the following rights and be subject to the following restrictions:

Income

- 5.2 As regards income, except for the Non-Voting Shares' entitlement to income, the Sponsor Shares, the GD Shares, the NGD Shares and the Deferred Shares shall have no rights to receive any dividends or otherwise participate in the profits of the Company.

Capital

- 5.3 On a return of capital on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied:
- 5.3.1 first, in paying to the Holders of the GD Shares, the NGD Shares, the Sponsor Shares and the Non-Voting Shares, the amount paid up thereon (excluding any premium);
- 5.3.2 secondly, the balance (if any) of such surplus assets up to a maximum of one hundred million pounds (£100,000,000) shall belong to and be distributed amongst the Holders of the Non-Voting Shares in proportion to the amounts paid up on the Non-Voting Shares (excluding any premium) held by them;
- 5.3.3 thirdly, in paying to the Holders of the Deferred Shares the sum of 1p per share; and
- 5.3.4 finally, the balance (if any) of such surplus assets shall belong to and be distributed amongst the Holders of the Non-Voting Shares in proportion to the amounts paid upon the shares (excluding any premium) held by them respectively.

- 5.4 Save as provided in Article 5.3.1, the Sponsor Shares, the GD Shares and the NGD Shares carry no rights to capital.

Voting

- 5.5 As regards voting:
- 5.5.1 the Non-Voting Shares shall entitle the Holders thereof to receive notice of but not to attend or to vote at any general meeting of the Company;
- 5.5.2 the Non-Voting Shares shall entitle the Holders thereof to receive copies of all notices, circulars and other information sent by the Company to the Holders of Sponsor Shares, GD Shares and NGD Shares;
- 5.5.3 the Sponsor Shares, the GD Shares and the NGD Shares shall entitle the Holders thereof to receive notice of and to attend and vote at all general meetings of the Company;
- 5.5.4 on a vote on a resolution on a show of hands at a general meeting every Member who is a Holder of a Sponsor Share, a GD Share or an NGD Share shall be entitled to one vote;
- 5.5.5 on a vote on a resolution on a poll taken at a general meeting (including any adjournment thereof) or on a vote on a written resolution the following weighted voting provisions shall apply:
- (a) the total votes cast by the Holders of Sponsor Shares shall be deemed to represent 51% of all the votes cast on the relevant resolution(s) or written resolution(s) with such votes being divided equally between all Holders of Sponsor Shares;
 - (b) the total votes cast by the Holders of GD Shares shall be deemed to represent 14% of all the votes cast on the relevant resolution(s) or written resolution(s) with such votes being divided equally between all the Holders of GD Shares; and
 - (c) the total votes cast by the Holders of NGD Shares shall be deemed to represent 35% of all the votes cast on the relevant resolution(s) or written resolution(s) with such votes being divided equally between all the Holders of NGD Shares.
- 5.5.6 and so that where the weighted voting rights apply the percentage votes cast by each individual Shareholder on resolution(s) or written resolution(s) (expressed as a percentage of the total votes cast) shall be determined according to the following formulae:
- (a) in respect of the Sponsor Shares:
51 + number of the Holders of Sponsor Shares who vote
 - (b) in respect of the GD Shares:
14 + number of the Holders of GD Shares who vote
 - (c) in respect of the NGD Shares:
35 + number of the Holders of NGD Shares who vote

- 5.5.7 the Holders of the Deferred Shares shall not be entitled to receive notice of or vote on any resolution(s) at any general meeting of the Company or written resolution(s).

Conversion to Deferred Shares

- 5.6 Any of the Sponsor Shares, the GD Shares and/or the NGD Shares shall, notwithstanding any rights under Article 9 below, be automatically converted without resolution of Directors or Shareholders to Deferred Shares when:

- 5.6.1 the Sponsor Shareholder, the GD Shareholder or the NGD Shareholder ceases to exist for any reason;
- 5.6.2 a Shareholder who is an exiting Shareholder has given an Exit Notice to the other Shareholders and the relevant period of notice has expired;
- 5.6.3 a Shareholder who holds a Sponsor Share ceases to satisfy the criteria to hold a Sponsor Share as set out in Article 4.2;
- 5.6.4 a Shareholder who holds a GD Share ceases to satisfy the criteria to hold a GD Share as set out in Article 4.3;
- 5.6.5 a Shareholder who holds a NGD Share ceases to satisfy the criteria to hold a NGD Share as set out in Article 4.4;
- 5.6.6 a Shareholder transfers or purports to transfer a Sponsor Share, a GD Share or NGD Share (as the case may be) in breach of the restrictions on transfer in Article 8;
- 5.6.7 in the reasonable opinion of the Board a Sponsor, GD or NGD Shareholder takes any action affecting or likely to affect ability of the Shareholders to award contracts to the Company without the requirement for a procurement exercise in accordance with regulation 12 of the Public Contracts Regulations 2015 and, following notification of the opinion of the Board, a majority of the Holders of the remaining Sponsor Shares, GD Shares and/or NGD Shares (as appropriate) shall elect in a general meeting or by a written resolution that the Sponsor Share or GD Share or NGD Share (as the case may be) of such Shareholder shall be converted into a Deferred Share; and
- 5.6.8 each Deferred Share so converted shall be credited as fully paid. A Deferred Share shall, as from the date of conversion under this Article 5.6, have the rights and be subject to the restrictions attaching to Deferred Shares as set out in these Articles.

6. NO TRUSTS

Except as required by law, no person shall be regarded by the Company as holding any share upon trust and (except as by these Articles or by law otherwise provided) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the Holder.

7. SHARE CERTIFICATES

- 7.1 Every Shareholder upon becoming the Holder of any shares shall be entitled without payment to one certificate for all the shares of each class held by it (and upon transferring a part of its holding of shares of any class, to a certificate for the balance of the holding) or several certificates each for one or more of its shares upon payment for every certificate after the first such reasonable sum as the Directors may

determine. Every certificate shall be executed by the Company and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint Holder shall be a sufficient delivery to all of them.

- 7.2 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses of the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

8. RESTRICTION ON TRANSFER OF SHARES

- 8.1 No Member may transfer any share in the capital of the Company save with the approval of the Shareholders passed by a unanimous decision by a resolution at a general meeting, written resolution or otherwise in accordance with these Articles.
- 8.2 If a Holder of a Sponsor Share, a GD Share or of an NGD Share (as the case may be) purports to transfer that share in contravention of this Article 8, that share shall automatically be deemed converted into a Deferred Share.
- 8.3 The instrument of transfer in respect of a transfer of share(s) which has been approved in the manner set out in Article 8.1 ("**Approved Transfer**") may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor of such share(s). Such transferor shall remain the Holder of the shares subject to the Approved Transfer until the name of the transferee is entered in the register of members in respect thereof.
- 8.4 The Board may also decline to recognise an instrument of transfer unless:
- 8.4.1 it is lodged and duly stamped at the Office or at such other place as the Board may appoint and is accompanied by the relevant share certificate(s) (or an appropriate indemnity for any lost share certificate(s)) for the Approved Transfer to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- 8.4.2 it is in favour of only one transferee.

9. VARIATION OF CLASS RIGHTS

- 9.1 Subject to the provisions of the Act, Article 5.6 above and Article 9.2 below, whenever the Company's share capital is divided into different classes of shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be modified, varied, extended, abrogated or surrendered either in the manner provided by such rights or (in the absence of any such provision) with the written consent/resolution of the Holders of at least three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the Holders of shares of that class. The provisions of these Articles relating to general meetings apply to every separate general meeting of the Holders of any class of shares, except that:
- 9.1.1 no Member shall be entitled to receive notice of such meeting or to attend it unless it is a Holder of shares of the class in question and no vote shall be given except in respect of a share of that class;

- 9.1.2 the necessary quorum shall (i) (if there is only one Holder of shares of that class) be the sole Holder of shares of that class or (ii) (if there is more than one Holder of shares of that class) be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question, in each case present in person or by proxy;
 - 9.1.3 any Holder of shares of the class in question who is present in person or by proxy and entitled to vote may demand a poll; and
 - 9.1.4 on a poll every Holder of shares of the class in question who is present (in person or by proxy) or in the event of a written consent/resolution shall have one vote for every share of that class which he holds.
- 9.2 In respect of the conversion of any of the GD Shares, the NGD Shares and/or the Sponsor Shares into the Deferred Shares under Article 5.6 above and, to the extent required, each Holder of the GD Shares, the NGD Shares and the Sponsor Shares shall be deemed to have conferred an irrevocable authority on the Company at any time to appoint any person to act as agent and/or attorney for and on behalf of each such Holder to:
- 9.2.1 receive notice of, attend, vote and sign any written resolution of any meeting of the class of GD Shares, the NGD Shares and/or the Sponsor Shares (as appropriate); and
 - 9.2.2 agree and execute any documents whatsoever in order to give effect to the provisions of Article 5.6; and/or

in each case without obtaining the sanction of the Holder(s) of any such GD Shares, the NGD Shares and/or the Sponsor Shares and to cancel the relevant share certificate(s) for any such GD Shares, the NGD Shares and/or the Sponsor Shares.

PART 3

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

10. GENERAL MEETINGS

- 10.1 The Board may whenever they think fit convene a general meeting, and general meetings shall also be convened on such requisition, or in default may be convened by such requisitioners, as provided by section 303 of the Act. Each Shareholder shall be entitled to require the Board to convene a general meeting by notice in writing to the secretary of the Company at any time to consider and propose a resolution in respect of any matter regarded by that Shareholder as a strategic objective of the Company or a significant decision affecting the Company.
- 10.2 Not less than fourteen clear days' written notice of every general meeting specifying the place, the day and the hour of the meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notices from the Company; but with the consent of the Members of the Company holding 90% of Sponsor Shares, 90% of GD Shares and 90% of the NGD Shares, a general meeting may be convened by such notice as those Shareholders may think fit.

11. PROCEEDINGS AT GENERAL MEETINGS

- 11.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Subject to Article 11.2 and 11.3, the necessary quorum shall be one Sponsor Shareholder, one GD Shareholder and one NGD Shareholder present by their duly authorised representatives, or by proxy.
- 11.2 The quorum requirements in Article 11.1 shall apply to the extent any relevant Sponsor Shares, GD Shares and NGD Shares are in issue. In the event any of these voting shares are not in issue for the time being, the quorum requirements under Article 11.1 shall be deemed to read as to not include the relevant class of voting shares for which there are no shares in issue.
- 11.3 If within an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting shall stand adjourned to the day which is 7 days from the date appointed for such meeting at the same time and place or such other place as the Board may determine.
- 11.4 Subject to Article 11.2 above, a resolution in writing signed by the requisite majority (as required under these Articles or the Act) of the Holders of Sponsor Shares, GD Shares and NGD Shares (as if they constituted one class) required to pass the resolution if it were proposed at a general meeting of the Company and entitled to receive notice of and attend and vote (having voting weightage in accordance with Article 5.5.5) at general meetings (or being corporations by their duly authorised representatives) shall be as valid and effectual as if it had been passed at a meeting of Members duly convened and held and may consist of several documents in the like form (including electronic communication) each signed by one or more such Members.
- 11.5 The Chair shall preside as chair of the meeting, but if the Chair shall not be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chair and, if only one Director is present and willing to act, he shall be chair. If no Director is willing to act as chair, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose a Member present to be chair of the meeting.
- 11.6 The chair of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.
- 11.7 Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjournment meeting.
- 11.8 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chair or by at least one Member present in person or by proxy holding voting shares, and unless a poll be so demanded a declaration by the chair of the meeting that a resolution has been carried, or carried unanimously or by particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn in the same manner as it was raised.
- 11.9 Subject to the provisions of Article 11.8, if a poll is demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the chair of the meeting

shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 11.10 No poll shall be demanded on the election of a chair of a meeting or on any question of adjournment.
- 11.11 The votes of the eligible Members on a poll on resolution(s) at a general meeting or written resolution(s) shall have the weighting as set out in Article 5.5.5 above.
- 11.12 An ordinary resolution shall be deemed to have been passed only if it is, subject to Article 5.5.5, approved by a majority of the Holders of Sponsor Shares, GD Shares and NGD Shares present and voting (as if they constituted one class). In the case of an equality of votes, whether on a show of hands or on a poll, the resolution shall be deemed not to have been passed. The chair shall not have a second or casting vote.
- 11.13 A special resolution shall be deemed to have been passed only if it is, subject to Article 5.5.5, approved by at least 75% of the Holders of the Sponsor Shares, GD Shares and NGD Shares present and voting as if they constituted one class.
- 11.14 The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

12. VOTES OF HOLDERS OF SHARES OF THE COMPANY IN GENERAL MEETINGS

- 12.1 Article 5.5 governs the rights of Holders to vote on resolution(s) at general meetings or on written resolution(s).
- 12.2 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair of the meeting whose decision shall be final and conclusive.
- 12.3 Votes may be given personally either by a duly authorised person on behalf of a Member or by proxy. A proxy must be a Member who holds a Sponsor Share, a GD Share or NGD Share.
- 12.4 The instrument appointing a proxy shall be in writing and must be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default an instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
- 12.5 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 12.6 An instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

"I/we of a member of the Company hereby appoint
 of as my/our proxy to vote for me/us on
 my/our behalf at the General Meeting of the Company to be held on

20 and at any adjournment thereof.

Signed Dated 20 .

This form is to be used in favour of/against the resolution. Unless otherwise instructed the proxy will vote as [he] thinks fit."

- 12.7 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

PART 4

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

13. THE BOARD

Composition of the Board

- 13.1 The Board shall comprise the Directors appointed in accordance with the provisions of these Articles, all of whom shall be Non-Executive Directors, save for the Chief Executive of the Company.

Appointment of Directors

- 13.2 The Chief Executive shall be appointed by unanimous resolution of the Shareholders and may be removed from office by majority resolution of the Shareholders.
- 13.3 Subject to Article 13.5, Non-Executive Directors (and the Chair, being one of such Non-Executive Directors) shall be appointed in accordance with Article 13.6.
- 13.4 Subject to Article 13.5, any Director of the Company may be removed from office by notice to such effect signed by or on behalf of not less than the majority of the Shareholders or by an ordinary resolution passed at a general meeting or otherwise in accordance with these Articles.
- 13.5 Unless otherwise agreed in writing by the Shareholders:
- 13.5.1 one person may be nominated by the Sponsor Shareholder for appointment as a Non-Executive Director by the Board (and the Sponsor Shareholder may request that any Director so appointed is removed and nominate another person in his place) and will be called a "**Sponsor Director**"; and
 - 13.5.2 one person may be nominated by each GD Shareholder for appointment as a Non-Executive Director by the Board (and the GD Shareholder may request that any respective Director so appointed is removed and nominate another person in his place) and each such Non-Executive Director will be called a "**GD Director**"; and
 - 13.5.3 up to two persons may be nominated by the NGD Shareholder for appointment as Non-Executive Directors by the Board (and the NGD Shareholder may request that any Director so appointed is removed and nominate another person in his place) and will be called "**NGD Directors**".

- 13.6 Each such nomination and removal as referred to in Article 13.5 will be made in writing to the Company by the Sponsor Shareholder, the GD Shareholder or the NGD Shareholder as the case may be and any appointment to the Board arising as a result of such nomination or otherwise (including the appointment of the Chair) shall be subject to the unanimous approval of the Board in a duly convened Board meeting.
- 13.7 For the purposes of Article 13.6, a notice which is not in electronic form will take effect when it is deposited at the Office for the time being of the Company or when delivered to a meeting of the Directors. A notice which is in electronic form will take effect when it is received at the address specified by the Company for the purpose of receiving such communications in electronic form.
- 13.8 The number of Sponsor Director, GD Directors and NGD Directors combined shall always comprise more than 50% of the total number of Non-Executive Directors at any given time.

The Chair

- 13.9 The Chair shall be responsible for the supervision and oversight of the Chief Executive in the period between each meeting of the Board. In addition to the Chair's legal duties as a director of the Company the Chair shall seek to safeguard the interests of the Shareholders and shall notify the Shareholders of any actions or future actions of the Company that the Chair considers may be inconsistent with or contrary to the interests of the Shareholders.

Powers of the Board

- 13.10 Save as otherwise directed by the Shareholders by unanimous decision or required by these Articles, the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or by these Articles required to be exercised or done by the Company at a general meeting. The Board shall be responsible for the conduct of the business of the Company in the period between each general meeting.
- 13.11 The members for the time being of the Board may act notwithstanding any vacancy on the Board.
- 13.12 There shall be no limit as to the age at which a person be or remain a member of the Board, but the minimum age at which a person can become a member of the Board shall be eighteen years.
- 13.13 No Director shall be entitled to appoint an alternate director.

Meetings of the Board

- 13.14 The Board shall meet together at least once every three months (and more frequently as they may from time to time think fit) for the conduct of the Company's business, and may adjourn and otherwise regulate their meetings as they think fit, provided that, unless otherwise agreed by all Directors, not less than 24 hours' notice shall be given of any meeting of the Board.
- 13.15 Quorum for a meeting of the Board shall be four or more Non-Executive Directors in total, which must (if such Directors are appointed at the time of the Board meeting in question) include at least one NGD director and either one Sponsor director or GD director present in person at the meeting or present by conference telephone or by other electronic means. In the event that no quorum is present at a meeting of the Board within an hour of the time appointed for such meeting, then the same shall

stand adjourned to the day which is seven days from the date appointed for such meeting at the same time and place.

- 13.16 The Chair or any two members of the Board may, and on the request of any two members of the Board, the Secretary shall, at any time, summon a meeting of the Board by, unless otherwise agreed by all directors, not less than 24 hours' notice served upon the several members of the Board, A member of the Board who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 13.17 The Chair shall be entitled to preside at all meetings of the Board at which he shall be present. If at any meeting the Chair is not present within five minutes after the time appointed for holding the meeting and willing to preside, the members of the Board present shall choose one of their number to be chair of the meeting.
- 13.18 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles vested in the Board generally.
- 13.19 All acts bona fide done by any meeting of the Board or by any person acting as a member of the Board, shall, notwithstanding it is afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Board.
- 13.20 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of any committee established pursuant to Article 13.24 to 13.26 of these Articles, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chair of such meeting, or by the chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- 13.21 A resolution in writing signed by all the eligible members for the time being of the Board who are entitled to receive notice of and vote at a meeting of the Board to consider a resolution of the type proposed shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted. Any such resolution may consist of several documents in the like form (including electronic communication) and signed by the Directors for the time being entitled to receive notice of and vote at a meeting of the Board.
- 13.22 A member of the Board shall be treated as present at a meeting of the Board notwithstanding that he is not physically present if he is in communication with the meeting by telephone or other telecommunication link and, for the purpose of these Articles, meetings of the Board shall include meetings held by telephone or any other form of telecommunication link provided that:
- 13.22.1 all members of the Board have received notice of the meeting and the means of communication to be employed therefor; and
- 13.22.2 the telephone or telecommunication link is so arranged that it is possible for each member of the Board to hear and be heard by each other person participating in the meeting and the terms "meeting" and "meet" shall be construed accordingly.

Votes at Board Meetings

- 13.23 Questions arising at any meeting of the Board shall be decided by a majority of votes with each Director having one vote. In the case of a split vote, the Board shall refer

the matter to the Sponsor Shareholders, the GD Shareholders and the NGD Shareholders for resolution at general meeting.

Committees

- 13.24 The Board may delegate any of their functions to committees, other than those functions referred to in Article 13.29. Such committees shall consist of such persons as the Board think fit, so long as one or more of such persons is a Board member. Any committee so formed shall, in exercise of the powers so delegated, conform to all regulations imposed upon it by the Board and these Articles. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board. The acts and proceedings of such committees shall be reported fully to the Board.
- 13.25 The Board shall establish a committee to be known as the Audit Committee which shall each hold a meeting at least three times a year. The Audit Committee shall comprise at least three Non-Executive Directors appointed to the Audit Committee by the Board and at least one independent external individual. For the avoidance of doubt, the Chair may not be a member of the Audit Committee. Committee members may not nominate alternates to attend committee meetings on their behalf. Non-Executive Directors will be appointed to each such committee for two years, after which they may be reappointed by the Board for up to a further two years. The Board shall appoint one of the Non-Executive Directors on the Audit Committee to be the chair of each of the Audit Committee with an annual review of the holder (if they are willing to continue in the role) resulting in either re-affirmation or replacement of the holder. The meetings of the Audit Committees shall be attended by the members of those committees, by the Chief Executive and such other senior managers of the Company as the Board at its discretion may decide.
- 13.26 Subject always to Article 13.29 the Audit Committee will have the following terms of reference unless the Board otherwise determine:
- 13.26.1 to advise the Board and Accounting Officer on the strategic processes for risk, control and governance and the corporate governance statement of the Company from time to time;
 - 13.26.2 to advise the Board and Accounting Officer on the accounting policies, the accounts and the annual report of the Company, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
 - 13.26.3 to advise the Board and Accounting Officer on the planned activity and results of both internal and external audit;
 - 13.26.4 to advise the Board and Accounting Officer on adequacy of management responses to issues identified by audit activity, including external audit's management letter;
 - 13.26.5 to advise the Board and Accounting Officer on assurances relating to corporate governance requirements for the Company;
 - 13.26.6 to advise the Board and Accounting Officer on proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services;

- 13.26.7 to advise the Board and Accounting Officer on anti-fraud policies, whistle-blowing processes, and arrangements for special investigations; and
 - 13.26.8 to periodically review its own effectiveness and report the results of that review to the Board.
- 13.27 The Board shall act as the Company's remuneration and nominations committee ("**Remuneration Capacity**") which shall be responsible for any such tasks and responsibilities as determined by the Board from time to time.
- 13.28 When the Board is acting in its Remuneration Capacity, the Chief Executive Officer will normally be invited to attend and speak at the relevant Board Meeting. Other executives or advisors may attend and speak with the consent of the Board.
- 13.29 The Board shall not delegate any of the following matters to a committee:
- 13.29.1 The approval of the annual estimates of income and expenditure;
 - 13.29.2 The approval of the annual business plan and the key objectives of the Company;
 - 13.29.3 Ensuring the solvency of the Company and the safeguarding of its assets; and
 - 13.29.4 The appointment or, subject to Article 13.2, dismissal of the Chief Executive.

Disqualification of Directors

- 13.30 The office of any director shall be vacated if:
- 13.30.1 by notice in writing to the Company he resigns his office;
 - 13.30.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - 13.30.3 he becomes of unsound mind;
 - 13.30.4 the Board is of the opinion that his ability to discharge the functions of a director has become impaired because of a conflict of interest or risk of conflict of interest;
 - 13.30.5 he brings himself or the Company into disrepute or risk of disrepute in each case following determination by the Board; or
 - 13.30.6 he ceases to hold office by virtue of any provision of the Act, these Articles or he becomes prohibited by law from being a director of the Company.

Remuneration and Expenses of Non-Executive Directors

- 13.31 The Directors shall be entitled to remuneration and the reimbursement of reasonable expenses for attending Board meetings in accordance with a policy and amounts approved by the Board from time to time but so that Office Holding Directors shall not be entitled to additional remuneration for acting as directors of the Company.

Secretary

- 13.32 The company secretary shall be appointed by the Board for such term and upon such conditions as the Board shall think fit and may be removed at any time and for any reason by the Board.

Observers

- 13.33 The Board may from time to time permit observers to attend meetings of the Board on such terms as the Board may approve.

Accounts

- 13.34 The Board shall cause accounting records to be kept in accordance with the requirements of the Act.

- 13.35 The accounting records shall be kept at the Office, or, subject to the provisions of the Act, at such other place or places as the Board shall think fit, and shall be open to the inspection of the Members holding voting shares, of the officers of the Company and of the Auditors.

- 13.36 The Company shall prepare and send copies of its annual accounts and reports to each Member in accordance with the Act.

Audit

- 13.37 In accordance with the provisions of the Act, once at least in every financial year of the Company the accounts of the Company shall be examined in accordance with prevailing audit standards by the Auditors.

- 13.38 The Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.

Notices

- 13.39 A notice may be served by the Company upon any Member, personally or by sending it through the post in a pre-paid letter, addressed to such Member at its registered address appearing in the Register of Members of the Company or by electronic means or via a website in accordance with the Act.

- 13.40 Any notice, if served personally shall be deemed served when so delivered, if by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post as a pre-paid first class letter and if sent by electronic means or via a website shall be deemed served in accordance with the Act.

Insurance

- 13.41 The Company may take out Directors' Liability Insurance for the Board or any other officer of the Company in relation to any such liability as is approved by the Board from time to time and permitted under Article 13.42 (but subject to Articles 13.43 and 13.44 below), but further subject to the restrictions specified by law

- 13.42 The liabilities referred to in Article 13.41 above are:

- 13.42.1 any liability that by virtue of any rule of law would otherwise attach to a Board member or officer of a company in respect of any negligence, default, breach of fiduciary or other duty of which he or she may be guilty in relation to the Company; and

- 13.42.2 the liability to make a contribution to the Company's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading).
- 13.43 The following liabilities are excluded from Article 13.42.1:
- 13.43.1 fines:
 - 13.43.2 costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Board member or other officer; and
 - 13.43.3 liabilities to the Company that result from conduct that the Board member or other officer knew or must be assumed to have known was not in the best interests of the Company or about which the person concerned did not care whether it was in the best interests of the Company or not.
- 13.44 There is excluded from Article 13.42.2 any liability to make such a contribution where the basis of the Board member's liability is his or her knowledge prior to the insolvent liquidation of the Company (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Company would avoid going into insolvent liquidation.
- 13.45 **Indemnity**
- 13.45.1 Subject to Article 13.45.2 a Director may be indemnified out of the income and/or assets of the Company against any liability incurred by that Director in connection with any matter referred to in Article 13.42 (subject to the limits and exclusions contained in Article 13.43 and Article 13.44).
 - 13.45.2 This Article 13.45 shall not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.