

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom, or any other appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom.**

If you have sold or transferred all of your Existing Ordinary Shares, you should hand this Document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Existing Ordinary Shares, you should retain these documents and contact the stockbroker or other agent through whom the sale or transfer was effected.

The Directors of the Company accept responsibility for the information contained in this Document and to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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## **MathEngine PLC**

*(Incorporated in England and Wales under the Companies Act 2006 with Registered No. 3334206)*

### **Proposals for the Re-registration of MathEngine PLC as a UK private limited company, Adoption of new Articles of Association for MathEngine Limited, Change of name to MathEngine Limited, and Notice of General Meeting**

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**Your attention is drawn to the letter from the Chairman of MathEngine PLC set out on pages 5 to 8 of this Document, which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.**

Notice of a General Meeting of MathEngine PLC to be held at Sterling House, 19 / 23 High Street, Kidlington, Oxfordshire OX5 2DH at 10.30 a.m. (10.30) on Monday 7<sup>th</sup> September 2020 is set out at the end of this Document. The Form of Proxy should, to be valid, be down-loaded from the MathEngine PLC web-site at [www.mathengineplc.com](http://www.mathengineplc.com), completed and returned in accordance with the printed instructions to Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX, so as to be received no later than 6.00 p.m. (18.00) on Thursday 3<sup>rd</sup> September 2020 or 48 hours before any adjourned meeting. Completion and return of the Form of Proxy will not preclude a Shareholder from attending in person and voting at the General Meeting.

Copies of this Document will be available free of charge from the Company's registered office at, Sterling House, 19 / 23 High Street, Kidlington, Oxfordshire OX5 2DH and from the offices of MathEngine PLC, Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX by prior arrangement, and a copy will be available on the MathEngine PLC website at [www.mathengineplc.com](http://www.mathengineplc.com).

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	Friday 31 <sup>st</sup> July 2020
Latest time and date for receipt of Forms of Proxy in respect of the General Meeting	6.00 p.m. Thursday 3 <sup>rd</sup> September 2020
General meeting	10.30 a.m. Monday 7 <sup>th</sup> September 2020
Re-registration of MathEngine PLC as a UK private limited company	by Friday 9 <sup>th</sup> October 2020

### Notes

1. References to time in this Document are to London, UK time unless otherwise stated.
2. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on the Company's web-site ([www.mathengineplc.com](http://www.mathengineplc.com)) and in accordance with the Company's Articles of Association, which appear there.

## SHARE CAPITAL STATISTICS

Existing Ordinary Shares of 1 pence par value in issue as at the date of this Document	21,989,309
Deferred Shares of 1 pence par value in issue	216,224,820

### Rights of the Deferred Shares

As regards **income**, the Deferred Shares shall carry no right to receive any dividend or other distribution.

As regards **capital**, on a return of capital in a liquidation, but not otherwise, the holders of the Deferred Shares shall be entitled to receive the nominal amount of their respective holdings of Deferred Shares but only after the holder of each Ordinary Share shall have received the amount paid up or credited as paid up on such Ordinary Share together with a payment of £1,000,000 per Ordinary Share and the holders of the Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company.

As regards **voting**, the holders of the Deferred Shares shall have no right to receive share certificates in respect of their holdings of Deferred Shares nor to receive notice of, nor to attend, speak or vote at, any general meeting of the Company by virtue of their holdings of Deferred Shares.

## DEFINITIONS

The following definitions apply throughout this Document unless the context requires otherwise:

“Act”	the Companies Act 2006 (as amended)
“Articles”	the Articles of Association of the Company
“MathEngine” or the “Company”	MathEngine PLC, a company registered in England and Wales with the registered number 3334206
“Board” or “Directors”	the Directors of the Company, whose names are stated on page 5 of this Document
“Document”	this Document dated 31 <sup>st</sup> July 2020
“Ordinary Shares”	the 21,989,309 ordinary shares of 1 pence each in the issued ordinary share capital of the Company
“Proposal”	the Re-registration of the Company
“Re-registration”	the proposed Re-registration of MathEngine PLC as a UK private limited company to be re-named MathEngine Limited
“Resolutions”	the resolutions as set out in the Notice of General Meeting contained within this Document
“Shareholders”	holders of Ordinary Shares in the Company
“Takeover Code”	The UK Takeover Code administered by the Takeover Panel

## LETTER FROM THE CHAIRMAN

# MathEngine PLC

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3334206)*

**Directors:**

Mr. David Nabarro (Chairman)  
Mr. C. Robin Woodbine Parish (Non-Executive Director)

**Registered Office:**

Sterling House  
19 / 23 High Street  
Kidlington  
Oxfordshire OX5 2DH  
United Kingdom

31<sup>st</sup> July 2020

To the holders of MathEngine PLC Ordinary Shares

**Proposals for the:**  
**Re-registration of MathEngine PLC as a UK private limited company,**  
**The adoption of new Articles of Association for MathEngine Limited,**  
**Change of name to MathEngine Limited**  
**and**  
**Notice of General Meeting**

Dear Shareholder,

**MathEngine PLC (“MathEngine” or “Company”)**

**Introduction**

The purpose of this letter is to provide you with the background to and the reasons for the proposed Re-registration of MathEngine PLC as a UK private limited company, and to explain why your Board considers this proposal to be in the best interests of the Company and the Shareholders as a whole.

This letter also includes a recommendation from the Directors that Shareholders should vote in favour of the special Resolutions to be proposed at the General Meeting.

## **Re-registration**

Your Board continues to manage the assets of MathEngine with the intention, in due course, of realising value for all Ordinary Shareholders and, if possible, at some point, paying dividends.

However, a UK registered company can only pay dividends out of distributable profits, and MathEngine's balance sheet remains weighed down by very historic and, in the Board's opinion, no longer relevant capital losses.

Though MathEngine's assets have steadily increased in value over the last few years, successive annual reports and accounts have always included the very substantial carried forward losses, currently £13,887,122, incurred some twenty years ago, long before the current management became involved, when the Company was a developer of "middleware", a type of specialist software designed for the computer games industry.

## **Writing off Historic Losses**

Because MathEngine is no longer involved in software development, these carried forward losses have neither relevance, nor any commercial or fiscal off-set value to MathEngine as it is managed today, and your Board therefore wishes to write off these carried forward capital losses as an historic anomaly.

While MathEngine remains a UK PLC (public limited company), writing off its historic carried forward (retained) losses, which would in due course potentially permit the payment of dividends, would require application to the courts and be very expensive. If however, the proposed special Re-registration Resolution is passed, the Board is advised that the writing off process will be much easier and cheaper to achieve.

## **Future intentions**

So, if Shareholders approve the Re-registration of our Company from being a UK PLC to a UK private limited company, it will be the Board's intention to seek to write off MathEngine's historic carried forward losses. This proposed write-off will have no negative effect on either existing Shareholders rights or the value of their shares.

In due course, your Board also intends to consider cancelling MathEngine's 216,224,820 Deferred Ordinary shares of 1 pence par value. These Deferred Shares were originally created to enable a reduction in the par value of the Ordinary Shares and, as explained above, have neither present nor any likely future value to Shareholders (see page 3 of this Document). Their cancellation will, if effected, be a tidying up operation and again have no effect on the ownership or rights of Shareholders.

## **Future governance**

Shareholders should note that if the Re-registration Resolution is passed, they will, in the main, no longer be afforded the protections provided by the UK Takeover Code (see pages 9 to 12 of this Document). However, the Board intends to continue to manage the affairs of the Company to exactly the same standards of governance, to provide exactly the same levels of information via the Company's web-site and to maintain oversight by the Company's auditors as at present.

## **New Articles of Association**

If the Re-registration Resolution is passed, MathEngine Limited will require new Articles of Association to reflect that it will be a UK private limited company.

The new Articles of Association to be adopted will be identical in all respects as the Company's existing Articles of Association, save that the Company's name referred to will be MathEngine Limited.

A copy of the new Articles of Association for MathEngine Limited can be found on pages 13 to 50 of this Document.

## **Shareholders' register**

The Company's Shareholders' register will continue to be maintained at Link Asset Services, and existing MathEngine PLC share certificates will continue to be accepted as proof of ownership and be "good delivery" for share transactions until they have all, over time, been replaced by new share certificates in the limited company.

## **MathEngine's web-site**

If Shareholders accept the Board's recommendation and vote in favour of Re-registration on 7<sup>th</sup> September, MathEngine's web-site will be migrated from its present site at [www.mathengineplc.com](http://www.mathengineplc.com) to the new web-site address we have registered of [www.mathenginlimited.com](http://www.mathenginlimited.com), with clear directions remaining posted on the old PLC web-site redirecting Shareholders and other interested parties to the new web-site for a minimum of one (1) year.

## **General Meeting**

At the end of this Document is a notice convening a General Meeting to be held at 10.30 a.m. on Monday 7<sup>th</sup> September 2020 at the Company's registered office at Sterling House, 19 / 23 High Street, Kidlington, Oxfordshire OX5 2DH at which the following three special Resolutions will be proposed to authorise and implement the Proposals:

1. To Re-register MathEngine PLC as a UK private limited company;
2. To adopt the new Articles of Association for MathEngine Limited; and
3. To change the Company's name to MathEngine Limited.

The three special Resolutions are explained in detail above.

For the three special Resolutions to pass, seventy-five per cent (75%) of the votes cast at the General Meeting will need to vote in favour of the Resolutions.

### **Action to be taken**

You will find attached with this Document a Form of Proxy for use by Shareholders at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed therein.

To be valid, completed Forms of Proxy must be received by the Company at Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX, as soon as possible and in any event not later than close of business (6.00 p.m. / 18.00) on Thursday 3<sup>rd</sup> September 2020, being 48 hours (not including any part of a day which is not a working day) before the time appointed for holding the General Meeting. Completion of a Form of Proxy will not preclude you from attending the meeting and voting in person if you so choose.

### **Recommendation**

The Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend that Shareholders vote in favour of the three special Resolutions to be proposed at the General Meeting, as they intend to in respect of their own beneficial interests amounting to in aggregate 5,853,300 Existing Ordinary Shares, representing 26.62 per cent of the Company's issued Ordinary share capital.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'David Nabarro', with a stylized flourish at the end.

David Nabarro  
Chairman



## The Takeover Code

The UK Takeover Code (the “Code”) currently applies to MathEngine PLC (“MathEngine”).

The Code does not apply to private companies (other than in certain limited circumstances) and would no longer apply to MathEngine’s shareholders if the resolution to approve the re-registration of MathEngine as a UK private limited company is passed at the General Meeting of the Company’s shareholders on 7<sup>th</sup> September 2020.

MathEngine shareholders should note that this means, if the Resolution to re-register the Company as a private company becomes effective, they will not receive the protections afforded by the Code in the event that there is a subsequent offer to acquire their MathEngine shares.

Brief details of the Takeover Panel (the “Panel”), the Code and the protections given by the Code are described below. Before giving your consent to the re-registration of the Company as a private company, you may wish to take independent professional advice from an appropriate independent financial adviser. The Code is issued and administered by the Panel. MathEngine is a company to which the Code applies, and its shareholders are accordingly entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets. The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. For your information, these General Principles are set out in Part 1 of the Appendix below. The General Principles apply to all transactions with which the Code is concerned. They are expressed in broad general terms and the Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose. In addition to the General Principles, the Code contains a series of Rules, of which some are effectively expansions of the General Principles and examples of their application, while others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

A summary of key points regarding the protection of the Code to takeovers generally is set out in Part 2 of the Appendix on page 11 of this Document. You are encouraged to read this information carefully as it outlines certain important protections, which you will be giving up if you agree to the Re-registration of the Company as a private company.

Details of the arguments in support of re-registering MathEngine as a private company and giving up the protections of the Code appear in the Letter to Shareholders on pages 5 to 8 of this Document.

## Appendix

### Part 1: The General Principles of the Code

1. All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected. 2. The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the bid; where it advises the holders of securities, the board of the offeree company must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the company's places of business. 3. The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid. 4. False markets must not be created in the securities of the offeree company, of the offeror company or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted. 5. An offeror must announce a bid only after ensuring that he/she can fulfil in full any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration. 6. An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

### Part 2: Detailed application of the Code.

The following is a summary of the key provisions of the Code, which apply to transactions to which the Code applies. You should note that, by agreeing to the re-registration of the Company as a private company, you will be giving up the protections afforded by the Code.

Equality of treatment - General Principle 1 of the Code states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

Information to shareholders – General Principle 2 requires that holders of securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on a bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

The opinion of the offeree board and independent advice - The board of the offeree company is required by Rule 3.1 of the Code to obtain competent independent advice on an offer and the substance of such advice must be made known to its shareholders. Rule 25.2 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion.

That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business. The circular from the offeree company must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that information about the companies involved in the offer must be made equally available to all offeree company shareholders as nearly as possible at the same time and in the same manner.

More than one class of equity share capital - Rule 14 provides that where a company has more than one class of equity share capital, a comparable offer must be made for each class whether such capital carries voting rights or not.

**The UK Companies Act 2006**

**UK Private Limited Company**

**New Articles of Association**

**of**

**MathEngine Limited**

(Adopted by Special Resolution on 7<sup>th</sup> September 2020)

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### **Defined terms**

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

“alternate” or “alternate director” has the meaning given in article 25;

“appointor” has the meaning given in article 25;

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

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

“call” has the meaning given in article 56;

“call notice” has the meaning given in article 56;

“certificate” means a paper certificate (other than a share warrant) evidencing a person’s title to specified shares or other securities;

“certificated” in relation to a share, means that it is not an uncertificated share or a share in respect of which a share warrant has been issued and is current;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 31;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

“Company” means MathEngine Limited;

“Company’s lien” has the meaning given in article 54;

“director” means a director of the Company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 74;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the Company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares, or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant;

“instrument” means a document in hard copy form;

“lien enforcement notice” has the meaning given in article 55;

“member” has the meaning given in section 112 of the Companies Act 2006;

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

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 9;

“partly paid” in relation to a share means that part of that share’s nominal value or any premium at which it was issued has not been paid to the Company;

“proxy notice” has the meaning given in article 38;  
“securities seal” has the meaning given in article 49;  
“shares” means shares in the Company;  
“special resolution” has the meaning given in section 283 of the Companies Act 2006;  
“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;  
“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;  
“uncertificated” in relation to a share means that, by virtue of legislation (other than section 778 of the Companies Act 2006) permitting title to shares to be evidenced and transferred without a certificate, title to that share is evidenced and may be transferred without a certificate; and  
“writing” means the representation or reproduction of words, symbols, or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or 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 the members is limited to the amount, if any, unpaid on the shares held by them.

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS’ POWERS AND RESPONSIBILITIES**

### **Directors’ general authority**

3. — Subject to the articles, the directors are responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

### **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 invalidates anything which the directors have done before the passing of the resolution.

### **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 —
- (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;
- as they think fit.  
(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.  
(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

### **Committees**

- 6.— (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.  
(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## DECISION-MAKING BY DIRECTORS

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

7. — Decisions of the directors may be taken —
- (a) at a directors' meeting, or
  - (b) in the form of a directors' written resolution.

### **Calling a directors' meeting**

- 8.— (1) Any director may call a directors' meeting.  
(2) The company secretary must call a directors' meeting if a director so requests.  
(3) A directors' meeting is called by giving notice of the meeting to the directors.  
(4) Notice of any directors' meeting must indicate —

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(5) Notice of a directors' meeting must be given to each director but need not be in writing.

(6) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held.

Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

### **Participation in directors' meetings**

**9.** — (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when —

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **Quorum for directors' meetings**

**10.** — (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

### **Meetings where total number of directors less than quorum**

**11.** — (1) This article applies where the total number of directors for the time being is less than the quorum for directors' meetings.

(2) If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

(3) If there is more than one director —

- (a) a directors' meeting may take place, if it is called in accordance with the articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
- (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

### **Chairing directors' meetings**

- 12.** — (1) The directors may appoint a director to chair their meetings.  
(2) The person so appointed for the time being is known as the chairman.  
(3) The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence.  
(4) The directors may terminate the appointment of the chairman, deputy, or assistant chairman at any time.  
(5) If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

### **Voting at directors' meetings: general rules**

- 13.** — (1) Subject to the articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors.  
(2) Subject to the articles, each director participating in a directors' meeting has one vote.  
(3) Subject to the articles, if a director has an interest in an actual or proposed transaction or arrangement with the Company —  
    (a) that director and that director's alternate may not vote on any proposal relating to it, but  
    (b) this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest.

### **Chairman's casting vote at directors' meetings**

- 14.** — (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.  
(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

### **Alternates voting at directors' meetings**

- 15.** — A director who is also an alternate director has an additional vote on behalf of each appointor who is —  
    (a) not participating in a directors' meeting, and  
    (b) would have been entitled to vote if they were participating in it.

## **Conflicts of interest**

**16.** — (1) If a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in a decision at a directors' meeting, or part of a directors' meeting, relating to it for quorum and voting purposes.

(3) This paragraph applies when —

(a) the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in, or voting at, a directors' meeting;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes —

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;

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

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the Company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) Subject to paragraph (6), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

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

## **Proposing directors' written resolutions**

**17.** — (1) Any director may propose a directors' written resolution.

(2) The company secretary must propose a directors' written resolution if a director so requests.

(3) A directors' written resolution is proposed by giving notice of the proposed resolution to the directors.

(4) Notice of a proposed directors' written resolution must indicate —

(a) the proposed resolution, and

(b) the time by which it is proposed that the directors should adopt it.

(5) Notice of a proposed directors' written resolution must be given in writing to each director.

(6) Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

### **Adoption of directors' written resolutions**

**18.** — (1) A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting.

(2) It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted.

(3) Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.

(4) The company secretary must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least five years from the date of their adoption.

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

**19.** — Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

## **APPOINTMENT OF DIRECTORS**

### **Methods of appointing directors**

**20.** — Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director —

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

### **Retirement of directors by rotation**

**21.** — (1) At the first annual general meeting all the directors must retire from office.

(2) At every subsequent annual general meeting, any directors —

- (a) who have been appointed by the directors since the last annual general meeting, or
- (b) who were not appointed or reappointed at one of the preceding three annual general meetings, must retire from office and may offer themselves for reappointment by the members.



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

- 22.** — A person ceases to be a director as soon as—
- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
  - (b) a bankruptcy order is made against that person;
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (e) notification is received by the Company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms.

## **Directors' remuneration**

- 23.** — (1) Directors may undertake any services for the Company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine—
- (a) for their services to the Company as directors, and
  - (b) for any other service which they undertake for the Company.
- (3) Subject to the articles, a director's remuneration may—
- (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness, or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

## **Directors' expenses**

- 24.** — The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at —
- (a) meetings of directors or committees of directors,
  - (b) general meetings, or
  - (c) separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## ALTERNATE DIRECTORS

### Appointment and removal of alternates

**25.** — (1) Any director (the “appointor”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to —

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

in relation to the taking of decisions by the directors in the absence of the alternate’s appointor.

(2) Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

(3) The notice must —

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

### Rights and responsibilities of alternate directors

**26.** — (1) An alternate director has the same rights, in relation to any directors’ meeting or directors’ written resolution, as the alternate’s appointor.

(2) Except as the articles specify otherwise, alternate directors —

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors.

(3) A person who is an alternate director but not a director —

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person’s appointor is not participating), and
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person’s appointor).

No alternate may be counted as more than one director for such purposes.

(4) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate’s appointor’s remuneration as the appointor may direct by notice in writing made to the Company.

### Termination of alternate directorship

**27.** — An alternate director’s appointment as an alternate terminates —

- (a) when the alternate’s appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate’s appointor, would result in the termination of the appointor’s appointment as a director;

- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting.

## PART 3

### DECISION-MAKING BY MEMBERS

#### ORGANISATION OF GENERAL MEETINGS

#### **Members can call general meeting if not enough directors**

**28.** — If —

- (a) the Company has fewer than two directors, and
- (b) the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so, then two or more members may call a general meeting (or instruct the company secretary to do so) for the purpose of appointing one or more directors.

#### **Attendance and speaking at general meetings**

**29.** — (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

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

- (a) that person is able to vote, during the meeting, on resolutions put to the 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 same time as the votes of all the other persons attending the meeting.

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

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

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

#### **Quorum for general meetings**

**30.** — No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

## **Chairing general meetings**

- 31.** — (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start —
- (a) the directors present, or
  - (b) (if no directors are present), the meeting, must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

## **Attendance and speaking by directors and non-members**

- 32.** — (1) Directors may attend and speak at general meetings, whether or not they are members.
- (2) The chairman of the meeting may permit other persons who are not—
- (a) members of the Company, or
  - (b) otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

## **Adjournment**

- 33.** — (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if —
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must —
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) —

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## VOTING AT GENERAL MEETINGS

### **Voting: general**

**34.** — A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

### **Errors and disputes**

**35.** — (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting whose decision is final.

### **Demanding a poll**

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

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by —

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if —

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

### **Procedure on a poll**

**37.** — (1) Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs.

- (2) The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.
- (3) The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- (4) A poll on —
  - (a) the election of the chairman of the meeting, or
  - (b) a question of adjournment must be taken immediately.
- (5) Other polls must be taken within 30 days of their being demanded.
- (6) A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- (7) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
- (8) In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken.

### **Content of proxy notices**

- 38.** — (1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—
- (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
  - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
  - (4) Unless a proxy notice indicates otherwise, it must be treated as —
    - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
    - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **Delivery of proxy notices**

- 39.** — (1) Any notice of a general meeting must specify the address or addresses (“proxy notification address”) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- (2) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

- (3) Subject to paragraphs (4) and (5), a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.
- (4) In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.
- (5) In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered —
- (a) in accordance with paragraph (3), or
  - (b) at the meeting at which the poll was demanded to the chairman, secretary, or any director.
- (6) An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.
- (7) A notice revoking a proxy appointment only takes effect if it is delivered before —
- (a) the start of the meeting or adjourned meeting to which it relates, or
  - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
- (8) If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### **Amendments to resolutions**

- 40.** — (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if —
- (a) notice of the proposed amendment is given to the company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if —
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## RESTRICTIONS ON MEMBERS' RIGHTS

### **No voting of shares on which money owed to company**

**41.** — No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the company in respect of that share have been paid.

## APPLICATION OF RULES TO CLASS MEETINGS

### **Class meetings**

**42.** — The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

## PART 4

### SHARES AND DISTRIBUTIONS

#### ISSUE AND REPURCHASE OF SHARES

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

**43.** — (1) Subject to the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions, and manner of redemption of any such shares.

### **Purchase of own shares**

**44.** — The Company may purchase or may enter into any contract under which it will or may purchase, any of its own shares of any class (including any deferred or redeemable shares), if the directors of the Company are satisfied that (a) the effect of such purchase shall be, net of cost of purchase, to increase the net asset value per share of all of the other shares remaining in issue by not less than ten per cent (>10%), (b) that such purchase is effected at a minimum discount of fifty per cent (50%) to the then prevailing net asset value of the Company's shares, (c) that at the time of purchase the Company is entirely unleveraged, (d) that any such purchase is satisfied in cash from the Company's reserves without recourse to any form of borrowing or debt and (e) the directors are satisfied that the vendor(s) of such shares purchased for cancellation is/are made fully aware they are selling their shares at substantially below their net asset value. Any shares so purchased, shall be held by the



Company as treasury shares, unless it is approved by special resolution (see article 45. below) to cancel them. Any shares to be so purchased may (subject to any resolution of the Company in general meeting) be selected in any manner determined by the Board.

### **Reduction or Cancellation of shares**

**45.** — The Company may by special resolution reduce or cancel its share capital or any revaluation reserve or share premium account or any other reserve fund in any manner, save for the assumption of debt for that purpose, and with and subject to any confirmation or consent required by law.

### **Payment of commissions on subscription for shares**

**46.** — (1) The Company may pay any person a commission in consideration for that person

—

- (a) subscribing, or agreeing to subscribe, for shares, or
- (b) procuring, or agreeing to procure, subscriptions for shares.

(2) Any such commission may be paid —

- (a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and
- (b) in respect of a conditional or an absolute subscription.

## INTERESTS IN SHARES

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

**47.** — Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

## SHARE CERTIFICATES

### **Certificates to be issued except in certain cases**

**48.** — (1) The Company must issue each member with one or more certificates in respect of the shares which that member holds.

(2) This article does not apply to —

- (a) uncertificated shares;
- (b) shares in respect of which a share warrant has been issued; or
- (c) shares in respect of which the Companies Acts permit the Company not to issue a certificate.

- (3) Except as otherwise specified in the articles, all certificates must be issued free of charge.
- (4) No certificate may be issued in respect of shares of more than one class.
- (5) If more than one person holds a share, only one certificate may be issued in respect of it.

#### **Contents and execution of share certificates**

- 49.** — (1) Every certificate must specify —
- (a) in respect of how many shares, of what class, it is issued;
  - (b) the nominal value of those shares;
  - (c) the amount paid up on them; and
  - (d) any distinguishing numbers assigned to them.
- (2) Certificates must —
- (a) have affixed to them the Company's common seal or an official seal which is a facsimile of the Company's common seal with the addition on its face of the word "Securities" (a "securities seal"), or
  - (b) be otherwise executed in accordance with the Companies Acts.

#### **Consolidated share certificates**

- 50.** — (1) When a member's holding of shares of a particular class increases, the Company may issue that member with —
- (a) a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or
  - (b) a separate certificate in respect of only those shares by which that member's holding has increased.
- (2) When a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the Company need not (in the absence of a request from the member) issue any new certificate if —
- (a) all the shares which the member no longer holds as a result of the reduction, and
  - (b) none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate.
- (3) A member may request the Company, in writing, to replace —
- (a) the member's separate certificates with a consolidated certificate, or
  - (b) the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.
- (4) When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- (5) A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the Company for cancellation.

#### **Replacement share certificates**

- 51.** — (1) If a certificate issued in respect of a member's shares is —

- (a) damaged or defaced, or
- (b) said to be lost, stolen, or destroyed,

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

- (2) A member exercising the right to be issued with such a replacement certificate —
  - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - (c) must comply with such conditions as to evidence, indemnity, and the payment of a reasonable fee as the directors decide.

## SHARES NOT HELD IN CERTIFICATED FORM

### Uncertificated shares

- 52.** — (1) In this article, “the relevant rules” means —
- (a) any applicable provision of the Companies Acts about the holding, evidencing of title to, or transfer of shares other than in certificated form, and
  - (b) any applicable legislation, rules or other arrangements made under or by virtue of such provision.
- (2) The provisions of this article have effect subject to the relevant rules.
- (3) Any provision of the articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply.
- (4) Any share or class of shares of the Company may be issued or held on such terms, or in such a way, that —
- (a) title to it or them is not, or must not be, evidenced by a certificate, or
  - (b) it or they may or must be transferred wholly or partly without a certificate.
- (5) The directors have power to take such steps as they think fit in relation to —
- (a) the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares);
  - (b) any records relating to the holding of uncertificated shares;
  - (c) the conversion of certificated shares into uncertificated shares; or
  - (d) the conversion of uncertificated shares into certificated shares.
- (6) The Company may by notice to the holder of a share require that share —
- (a) if it is uncertificated, to be converted into certificated form, and
  - (b) if it is certificated, to be converted into uncertificated form, to enable it to be dealt with in accordance with the articles.
- (7) If —
- (a) the articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares, and
  - (b) uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument, the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.

(8) In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

(9) Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.

(10) A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

### **Share warrants**

**53.** — (1) The directors may issue a share warrant in respect of any fully paid share.

(2) Share warrants must be —

- (a) issued in such form, and
- (b) executed in such manner,

as the directors decide.

(3) A share represented by a share warrant may be transferred by delivery of the warrant representing it.

(4) The directors may make provision for the payment of dividends in respect of any share represented by a share warrant.

(5) Subject to the articles, the directors may decide the conditions on which any share warrant is issued. In particular, they may —

- (a) decide the conditions on which new warrants are to be issued in place of warrants which are damaged or defaced, or said to have been lost, stolen, or destroyed;
- (b) decide the conditions on which bearers of warrants are entitled to attend and vote at general meetings;
- (c) decide the conditions subject to which bearers of warrants may surrender their warrant so as to hold their shares in certificated or uncertificated form instead; and
- (d) vary the conditions of issue of any warrant from time to time, and the bearer of a warrant is subject to the conditions and procedures in force in relation to it, whether or not they were decided or specified before the warrant was issued.

(6) Subject to the conditions on which the warrants are issued from time to time, bearers of share warrants have the same rights and privileges as they would if their names had been included in the register as holders of the shares represented by their warrants.

(7) The Company must not in any way be bound by or recognise any interest in a share represented by a share warrant other than the absolute right of the bearer of that warrant to that warrant.

### **PARTLY PAID SHARES**

#### **Company's lien over partly paid shares**

**54.** — (1) The Company has a lien (“the Company’s lien”) over every share which is partly paid for any part of —

- (a) that share’s nominal value, and

- (b) any premium at which it was issued, which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- (2) The Company's lien over a share —
  - (a) takes priority over any third party's interest in that share, and
  - (b) extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- (3) The directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

### **Enforcement of the Company's lien**

- 55.** — (1) Subject to the provisions of this article, if —
- (a) a lien enforcement notice has been given in respect of a share, and
  - (b) the person to whom the notice was given has failed to comply with it,
- the Company may sell that share in such manner as the directors decide.
- (2) A lien enforcement notice —
    - (a) may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
    - (b) must specify the share concerned;
    - (c) must require payment of the sum payable within 14 days of the notice;
    - (d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
    - (e) must state the Company's intention to sell the share if the notice is not complied with.
  - (3) Where shares are sold under this article —
    - (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
    - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
  - (4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied —
    - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
    - (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.
  - (5) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date —

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

### **Call notices**

**56.** — (1) Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a “call notice”) to a member requiring the member to pay the Company a specified sum of money (a “call”) which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.

(2) A call notice —

- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member’s shares (whether as to the share’s nominal value or any amount payable to the company by way of premium);

- (b) must state when and how any call to which it relates it is to be paid; and

- (c) may permit or require the call to be paid by instalments.

(3) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.

(4) Before the Company has received any call due under a call notice the directors may —

- (a) revoke it wholly or in part, or

- (b) specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose shares the call is made.

### **Liability to pay calls**

**57.** — (1) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

(2) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

(3) Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them —

- (a) to pay calls which are not the same, or

- (b) to pay calls at different times.

### **When call notice need not be issued**

**58.** — (1) A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium) —

- (a) on allotment;

- (b) on the occurrence of a particular event; or

- (c) on a date fixed by or in accordance with the terms of issue.

(2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

### **Failure to comply with call notice: automatic consequences**

- 59.** — (1) If a person is liable to pay a call and fails to do so by the call payment date —
- (a) the directors may issue a notice of intended forfeiture to that person, and
  - (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.
- (2) For the purposes of this article —
- (a) the “call payment date” is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the “call payment date” is that later date;
  - (b) the “relevant rate” is —
    - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
    - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
    - (iii) if no rate is fixed in either of these ways, 5 per cent per annum.
- (3) The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).
- (4) The directors may waive any obligation to pay interest on a call wholly or in part.

### **Notice of intended forfeiture**

- 60.** — A notice of intended forfeiture —
- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
  - (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder’s death, bankruptcy or otherwise;
  - (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;
  - (d) must state how the payment is to be made; and
  - (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

### **Directors’ power to forfeit shares**

- 61.** — If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all

dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

### **Effect of forfeiture**

- 62.** — (1) Subject to the articles, the forfeiture of a share extinguishes —
- (a) all interests in that share, and all claims and demands against the Company in respect of it, and
  - (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.
- (2) Any share which is forfeited in accordance with the articles —
- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
  - (b) is deemed to be the property of the Company; and
  - (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.
- (3) If a person's shares have been forfeited —
- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members;
  - (b) that person ceases to be a member in respect of those shares;
  - (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;
  - (d) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
  - (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- (4) At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

### **Procedure following forfeiture**

- 63.** — (1) If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- (2) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date —
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- (3) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.



(4) If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which —

- (a) was, or would have become, payable, and
- (b) had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

### **Surrender of shares**

**64.** —(1) A member may surrender any share —

- (a) in respect of which the directors may issue a notice of intended forfeiture;
- (b) which the directors may forfeit; or
- (c) which has been forfeited.

(2) The directors may accept the surrender of any such share.

(3) The effect of surrender on a share is the same as the effect of forfeiture on that share.

(4) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **Transfers of certificated shares**

**65.** — (1) Certificated shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of —

- (a) the transferor, and
- (b) (if any of the shares is partly paid) the transferee.

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

(3) The Company may retain any instrument of transfer which is registered.

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

(5) The directors may refuse to register the transfer of a certificated share if —

- (a) the share is not fully paid;
- (b) the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;
- (c) the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
- (d) the transfer is in respect of more than one class of share; or
- (e) the transfer is in favour of more than four transferees.

(6) If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

### **Transfer of uncertificated shares**

**66.** — A transfer of an uncertificated share must not be registered if it is in favour of more than four transferees.

### **Transmission of shares**

**67.** — (1) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

(2) Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

### **Transmittees' rights**

**68.** — (1) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles and pending any transfer of the shares to another person, has the same rights as the holder had.

(2) But transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

### **Exercise of transmittees' rights**

**69.** — (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must —

(a) procure that all appropriate instructions are given to effect the transfer, or

(b) procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it.

(4) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

## **Transmittees bound by prior notices**

**70.** — If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

## CONSOLIDATION OF SHARES

### **Procedure for disposing of fractions of shares**

**71.** — (1) This article applies where —

- (a) there has been a consolidation or division of shares, and
- (b) as a result, members are entitled to fractions of shares.

(2) The directors may —

- (a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable;
- (b) in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- (c) distribute the net proceeds of sale in due proportion among the holders of the shares.

(3) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

(4) The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

(5) The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## DISTRIBUTIONS

### **Procedure for declaring dividends**

**72.** — (1) The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with members' respective rights.

(4) Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### **Calculation of dividends**

**73.** — (1) Except as otherwise provided by the articles or the rights attached to shares, all dividends must be —

(a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and

(b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

(2) If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

(3) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

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

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

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable —

(a) the holder of the share; or

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

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

## **Deductions from distributions in respect of sums owed to the Company**

**75.** — (1) If —

(a) a share is subject to the Company's lien, and  
(b) the directors are entitled to issue a lien enforcement notice in respect of it, they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

(2) Money so deducted must be used to pay any of the sums payable in respect of that share.

(3) The Company must notify the distribution recipient in writing of —

- (a) the fact and amount of any such deduction;
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
- (c) how the money deducted has been applied.

## **No interest on distributions**

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

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the Company.

## **Unclaimed distributions**

**77.** — (1) All dividends or other sums which are —

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable, may be invested, or otherwise made use of by the directors for the benefit of the Company until claimed.

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

(3) If —

- (a) ten years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

## **Non-cash distributions**

**78.** — (1) Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets

of equivalent value (including, without limitation, shares or other securities in any company).

(2) If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the Company which are issued as a non-cash distribution in respect of them must be uncertificated.

(3) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution —

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

### **Waiver of distributions**

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

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

## **CAPITALISATION OF PROFITS**

### **Authority to capitalise and appropriation of capitalised sums**

**80.** — (1) Subject to the articles, the directors may, if they are so authorised by an ordinary Resolution —

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied —

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied —

- (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or
  - (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may —
- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## PART 5

### MISCELLANEOUS PROVISIONS

#### COMMUNICATIONS

##### **Means of communication to be used**

- 81.** — (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

##### **Failure to notify contact details**

- 82.** — (1) If —
- (a) the Company sends two consecutive documents to a member over a period of at least 12 months, and
  - (b) each of those documents is returned undelivered, or the Company receives notification that it has not been delivered, that member ceases to be entitled to receive notices from the Company.
- (2) A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company —
- (a) a new physical or e-mail address to be recorded in the register of members, or

(b) as members have previously agreed (2015) that the Company should use its web-site at [www.mathenginlimited.com](http://www.mathenginlimited.com) as its primary means of communication with members, such information must appear on the Company's web-site at [www.mathenginlimited.com](http://www.mathenginlimited.com) to be considered as being effectively communicated.

## ADMINISTRATIVE ARRANGEMENTS

### Company seals

- 83.** — (1) The Company's common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form the Company's common seal is to be used.
- (3) Unless otherwise decided by the directors, if the Company's common seal is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is —
- (a) any director of the Company;
  - (b) the company secretary; or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.
- (5) If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors.
- (6) If the Company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary.
- (7) For the purposes of the articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs.

### Destruction of documents

- 84.** — (1) The Company is entitled to destroy —
- (a) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;
  - (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded;
  - (c) all share certificates which have been cancelled from one year after the date of the cancellation;
  - (d) all paid dividend warrants and cheques from one year after the date of actual payment; and
  - (e) all proxy notices from one year after the end of the meeting to which the proxy notice relates.
- (2) If the Company destroys a document in good faith, in accordance with the articles, and



without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that —

(a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

(b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered.

(c) any share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and

(d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

(3) This article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so.

(4) In this article, references to the destruction of any document include a reference to its being disposed of in any manner.

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

**85.** — Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

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

**86.** — The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **Indemnity**

**87.** — (1) Subject to paragraph (2), a relevant director of the Company or an associated company may be indemnified out of the Company's assets against —

(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 or an associated company;

(b) any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);

(c) any other liability incurred by that director as an officer of the Company or an associated company.

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

(3) In this article —

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant director” means any director or former director of the Company or an associated company.

## **Insurance**

**88.** — (1) The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article —

- (a) a “relevant director” means any director or former director of the Company or an associated company,
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.



## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (“**Meeting**”) of MathEngine PLC (“**Company**”) will be held at Sterling House, 19 / 23 High Street, Kidlington, Oxfordshire OX5 2DH at 10.30 a.m. on Monday 7<sup>th</sup> September 2020] at which the following special Resolutions will be proposed:

1. To Re-register MathEngine PLC as a UK private limited company;
2. To adopt new Articles of Association for MathEngine Limited as a UK private limited company; and
3. To change the Company’s name to MathEngine Limited.

By Order of the Board  
**Gillian Hedger**  
*Secretary*

31<sup>st</sup> July 2020

**Registered Office**  
Sterling House  
19 / 23 High Street  
Kidlington  
Oxfordshire OX5 2DH

### NOTES

1. A member entitled to attend and vote at the General Meeting (“GM”) may appoint a proxy (who need not be a member of the Company) to attend, to speak and, on a poll, to vote on his or her behalf. In order to be valid, an appointment of proxy must be returned by one of the following methods:
  - in hard copy in the form enclosed together with the power of attorney or other authority, if any, under which it is signed, or a copy of such power or authority certified by a notary, by post, by courier or by hand to the Company Secretary, MathEngine PLC, Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX. The Form of Proxy must be signed by the shareholder appointing the proxy or by his/her attorney authorised in writing. If the shareholder is a corporation, the Form of Proxy should be sealed with its common seal or signed by an officer or an attorney of the corporation or other person authorised to sign it.

And in each case to be valid, the Form of Proxy must be received by the Company not less than 48 hours (excluding any part of a day that is not a working day) before the time of the meeting or the adjourned meeting.
2. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them.
3. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company Secretary, Mrs. Gillian Hedger, MathEngine PLC, Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX.

4. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment of the Chairman of MathEngine PLC, to Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 5 The completion of a proxy does not preclude a member from attending the General Meeting and voting in person.
- 6 As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders who are registered on the Company's register of members held by Link Asset Services at 6.00 p.m. on Thursday 3<sup>rd</sup> July 2020 shall be entitled to attend the General Meeting and to vote in respect of the number of Ordinary Shares registered in their names at that time. Changes to entries on the register of members after 6.00 p.m. on 3<sup>rd</sup> July 2020 shall be disregarded in determining the rights of any person to attend and/or vote at the General Meeting.
- 7 In order to facilitate voting by corporate representatives at the General Meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that Shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate Shareholder attends the meeting but the corporate Shareholder has not appointed the Chairman of the General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.

# MathEngine PLC

## General Meeting to be held on 7<sup>th</sup> September 2020

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### FORM OF PROXY

I/We.....

Please insert full name(s) and address(es) (Block Letters)

of.....

.....

being (a) shareholder(s) of .....

Ordinary Shares of MathEngine PLC, hereby appoint the Chairman of the Meeting

or .....

of .....

as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held on Monday 7<sup>th</sup> September 2020 and at any adjournment thereof.

Please indicate with an "X" in the spaces below how you wish your votes to be cast on a poll. Unless otherwise instructed the proxy will vote or abstain from voting as he thinks fit.

<b>Special Resolutions</b>	<b>FOR</b>	<b>AGAINST</b>
1. To Re-register MathEngine PLC as a UK private limited company		
2. To adopt new Articles of Association for MathEngine Limited as a UK private limited company		
3. To change the Company's name to MathEngine Limited		

Signature or Common Seal: .....

Name in Full: .....

Address: .....

.....

Date:.....2020 (*Block letters please*)

## NOTES

This proxy must reach the office of the Company at Lower Holt Farm, Melbury Osmond, Dorchester, Dorset DT2 0LX not later than 48 hours before the time appointed for the meeting, i.e. on Thursday 3<sup>rd</sup> September 2020. A proxy need not be a member of the Company.

1. If the appointor is a corporation, this proxy must be under its Common Seal or under the hand of an officer, attorney, or other person duly authorised in that behalf.
2. In the case of joint-holders the vote of the senior (according to the order in which the names stand in the register) who tenders a vote in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s).
3. If it is desired to appoint a person other than the Chairman as proxy, delete "the Chairman of the Meeting" and insert the name of the proxy in the space provided.

