

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

MORVOLTS LIMITED

2019

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**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

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MORVOLTS LIMITED

INTERPRETATION, LIMITATION OF LIABILITY AND OBJECTS

1 DEFINED TERMS

1.1 In these Articles, unless the context requires otherwise -

“Act” means the Companies Act 2006;

“Articles” means the Company’s articles of association for the time being in force;

“Bankruptcy” includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of sequestration in Scotland pursuant to the Bankruptcy (Scotland) Act 1985 as amended;

“Board Meeting” means a meeting of the Directors held in accordance with these Articles;

“Business Day” means any day (other than a Saturday or Sunday) on which the Scottish clearing banks are open for over-the-counter business in Scotland;

“clear days” in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“Community-Authorised” means authorised by the passing of a special resolution of the members of MCDC;

“Community Directors” means a Director or Directors appointed upon the written direction of MCDC as provided for in Article 21.1.1;

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

“Co-Opted Directors” means a Director or Directors co-opted as provided for in Article 21.1.2;

“Determined” means determined by written notice of MCDC;

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

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

“Eligible Director” means a Director who would be entitled to vote on the matter at a Board Meeting (but excluding any Director whose vote is not to be counted in respect of the particular matter);

“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;

“Instrument” means a document in hard copy form;

“MCDC” means The Morvern Community Development Company, incorporated under the Companies Act (Registered Number: SC200325) and having their Registered Office at Lochaline Harbour Office Lochaline, Morvern, Oban, Argyll, PA80 5XT, or the MCDC Successor (as defined in sub-Article 4(b));

“Model Articles” means the model articles for private companies limited by Shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

“paid” means paid or credited as paid, and cognate expressions are to be construed accordingly;

“Participate” in relation to a Board Meeting, has the meaning given in Article 12, and cognate expressions are to be construed accordingly;

“Shareholder” in relation to Shares means a person whose name is entered in the register of members as the holder of Shares;

“Shares” means Shares in the Company; and

- 1.2 Unless expressly provided otherwise, words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles became binding on the Company.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **“Article”** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 A reference to a “person” (unless the context otherwise requires) includes a natural person, firm, partnership, company, corporation, association, organisation, local or national governmental authority, state, foundation and trust (in each case whether or not having separate legal personality).
- 1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:-
 - 1.6.1 any subordinate legislation from time to time made under it, and
 - 1.6.2 any amendment or re-enactment;

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

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

2 **MODEL ARTICLES**

The Model Articles shall apply to the Company but not to any effect or extent contrary to the provisions of these Articles, which shall have primacy in the event of any conflict between them and the Model Articles.

3 **LIABILITY OF MEMBERS**

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

4 **OBJECTS**

The objects of the Company shall be to carry on business for the benefit of the community of Morvern by –

- (a) Developing and operating a renewable energy project or projects on the Barr River, by Lochaline and such other similar projects as the Company determines to undertake from time to time;
- (b) Supporting the activities of MCDC in its charitable objectives or, if it ceases to exist such body with similar objectives as shall either (i) have been nominated in writing by MCDC prior to it ceasing to exist, with the consent of (a) the Office of the Scottish Charity Regulator and (b) the Scottish Government; or in the absence of such nomination (ii) is nominated in writing by the Company with the consent of (a) the Office of the Scottish Charity Regulator and (b) the Scottish Government (in either case such nominated body being hereinafter referred to as “the MCDC Successor”).

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

5 **DIRECTORS' GENERAL AUTHORITY**

Subject to these 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.

6 **SHAREHOLDERS' RESERVE POWER**

- 6.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

- 6.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- 6.3 Notwithstanding any provision in these Articles or otherwise to the contrary, the Directors shall not have the power or authority to effect any sale of the Company's principal assets comprise within the Barr River hydro scheme without such sale being Community-Authorised. The foregoing restriction shall not prevent the Directors or the Company from granting security (in any form, including fixed security, floating charge or assignation in security) over such assets to support bona fide commercial finance connected to the Barr River hydro scheme.

7 DIRECTORS MAY DELEGATE

- 7.1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them -

- 7.1.1 to such person or committee;
- 7.1.2 by such means (including by power of attorney);
- 7.1.3 to such an extent;
- 7.1.4 in relation to such matters or territories; and
- 7.1.5 on such terms and conditions,

as they think fit.

- 7.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 7.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

8 COMMITTEES

- 8.1 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 these Articles which govern the taking of decisions by Directors.
- 8.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

DECISION MAKING BY DIRECTORS

9 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 10.

10 **UNANIMOUS DECISIONS**

- 10.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 10.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 10.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum had the resolution been proposed at a Board Meeting.

11 **CALLING A BOARD MEETING**

- 11.1 Any Director may call a Board Meeting by giving notice of the meeting to the Directors or by authorising the Company Secretary (if any) to give such notice.
- 11.2 Notice of any Board Meeting must indicate -
 - 11.2.1 its proposed date and time;
 - 11.2.2 where it is to take place; and
 - 11.2.3 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.
- 11.3 Notice of a Board Meeting shall be given to each Director.
- 11.4 It shall not be necessary to give notice of a meeting to a Director whose whereabouts are unknown to the Company at the time when notice of a meeting is to be given to Directors.
- 11.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of that meeting.

12 **PARTICIPATION IN BOARD MEETINGS**

- 12.1 Subject to these Articles, Directors Participate in a Board Meeting, or part of a Board Meeting, when -
 - 12.1.1 the meeting has been called and takes place in accordance with these Articles, and
 - 12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 12.2 In determining whether Directors are Participating in a Board Meeting, it is irrelevant where any Director is or how they communicate with each other.

12.3 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 and in default of agreement, the meeting shall be deemed to be held at the location of the chairman of the meeting.

13 QUORUM FOR BOARD MEETINGS

13.1 At a Board Meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.

13.2 Subject to Article 13.3 or as Determined otherwise, the quorum for the transaction of business at a meeting of Directors shall, unless the Directors may agree in writing upon a greater number, be fixed at three Directors of whom a majority must be Community Directors. If at any time during a Board Meeting a majority of the Eligible Directors present are not Community Directors, no competent business of the Company may be undertaken until such a majority is present or restored.

13.3 For the purposes of any question pursuant to Article 16.3 or any meeting (or part of a meeting) held pursuant to Article 17 to authorise a Director's conflict, if there is only one Director in office besides the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

13.4 If (i) the total number of Directors in office for the time being is less than the quorum required, or (ii) the total number of Community Directors in office for the time being ceases to be a majority of the Directors, the Directors must not take any decision other than a decision:

- a) to appoint Director(s) or Community Director(s) as the case may be; or
- b) to call a general meeting so as to enable the Shareholders to appoint further Director(s) or Community Director(s) as the case may be.

14 CHAIRING OF BOARD MEETINGS

14.1 Save as Determined otherwise, the Directors shall appoint one of the Community Directors to be chairman of the board of Directors for such period and on such terms as the Directors may determine from time to time.

14.2 If the Chairman is not Participating in a Board Meeting within ten minutes of the time at which it was to start, the Participating Directors must appoint one of the Community Directors who is Participating to chair it.

15 CASTING VOTE

15.1 If the numbers of votes for and against a proposal at a Board Meeting are equal, the Chairman or other Director chairing the meeting shall have a casting vote.

15.2 But this does not apply if, in accordance with these Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

16 **TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 16.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company -
- 16.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 16.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 16.1.3 shall be entitled to vote at a meeting of Directors or of a committee of the Directors, or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- 16.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- 16.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 16.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 16.2 For the purposes of this Article, references to proposed decisions and decision-making processes include any Board Meeting or part of a Board Meeting.
- 16.3 Subject to Article 16.4, 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.
- 16.4 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.

17 **DIRECTORS' CONFLICTS OF INTEREST**

17.1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest (a **"Conflict"**).

17.2 Any authorisation under this Article will be effective only if -

17.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

17.2.2 any requirement as to the quorum at the Board Meeting at which the matter is considered is met without counting the Director in question; and

17.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

17.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently) -

17.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

17.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine, and

17.3.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

17.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to -

17.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company, or

17.4.2 use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence.

17.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director -

17.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

17.5.2 is not given any Documents or other information relating to the Conflict, and

17.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

17.6 Where the Directors authorise a Conflict -

17.6.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict, and

17.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

17.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

18 **RECORDS OF DECISIONS TO BE KEPT**

18.1 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors.

18.2 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

19 **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to these 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 AND SECRETARY

20 **NUMBER OF DIRECTORS**

Unless otherwise Determined, the number of Directors shall be not less than three and shall be not more than seven, and at all times a majority of the Directors in office shall be Community Directors.

21 **METHODS OF APPOINTING DIRECTORS**

21.1 Save as Determined, 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 -

- 21.1.1 by written nomination of appointment by MCDC (any Director appointed pursuant to sub-Article **Error! Reference source not found.** being a Community Director), or
- 21.1.2 by a decision of the Directors (any Director appointed pursuant to sub-Article 21.1.2 being a Co-Opted Director).
- 21.2 Subject always to the provisions of Article 21, there shall be no requirement for Directors to retire by rotation.
- 21.3 Directors shall not be entitled to appoint alternates.

22 **TERMINATION OF DIRECTOR'S APPOINTMENT**

- 22.1 Save as Determined otherwise, a person ceases to be a Director as soon as -
 - 22.1.1 written notice is given to that person by MCDC that they cease to be a Director;
 - 22.1.2 in the case of a Co-Opted Director, a resolution of the Directors is passed to the effect that that person ceases to be a Director;
 - 22.1.3 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;
 - 22.1.4 a bankruptcy order is made against that person or his estates are sequestrated;
 - 22.1.5 a composition is made with that person's creditors generally in satisfaction of that person's debts or he grants a trust deed (whether or not it becomes protected) for the benefit of his creditors;
 - 22.1.6 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;
 - 22.1.7 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
 - 22.1.8 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.
- 22.2 If a person is both a Director and employee of the Company and/or MCDC and he ceases to be an employee of the Company and/or MCDC, he shall be deemed on the date of cessation as an employee of the Company and/or MCDC to have resigned from the office of Director and any other offices he may hold in any member of the Group to which the Company and/or MCDC belongs without claim for compensation of their loss of office as a Director (but without prejudice to any other rights against the Company and/or MCDC). The provisions of this Article 22.2 are subject to Article 21.1 where such person can be re-appointed as a Director under Article 21.1.

23 **DIRECTORS' REMUNERATION**

- 23.1 Directors may undertake any services for the Company that the Directors decide.
- 23.2 Save as Determined otherwise, Directors are entitled to such remuneration as the Directors determine after having first given not less than 14 days' prior written notification to MCDC -
- 23.2.1 for their services to the Company as Directors, and
- 23.2.2 for any other service which they undertake for the Company.
- 23.3 A Director's remuneration may -
- 23.3.1 take any form, and
- 23.3.2 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.
- 23.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 23.5 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.

24 **DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the Directors and the Secretary (if any) properly incur in connection with their attendance at -

- 24.1 meetings of Directors or committees of Directors,
- 24.2 general meetings, or
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

25 **SECRETARY**

The Directors may (but are not required to) appoint any person who is willing to act as the Secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

SHARES AND DISTRIBUTIONS

SHARES

26 RESTRICTION ON SHARES

26.1 Subject to sub-Article 26.2, save as Determined otherwise:

26.1.1 the sole Shareholder shall at all times be MCDC;

26.1.2 no Shares are to be issued, revoked, cancelled or transferred and the class rights of Shares shall not be varied;

26.1.3 these Articles shall not be varied.

26.2 Save as Community-Authorised otherwise:

26.2.1 a clear majority of all Shares shall at all times be held by MCDC;

26.2.2 the class rights attaching to the Shares held by MCDC shall ensure that MCDC hold a clear majority of the voting rights within the Company;

26.2.3 these Articles shall not be varied to provide any position contrary to sub-Articles 26.2.1 and 26.2.2 or Article 29.

27 SHARE CERTIFICATES

27.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

27.2 Every certificate must specify -

27.2.1 in respect of how many Shares, of what class, it is issued;

27.2.2 the nominal value of those Shares;

27.2.3 that the Shares are fully paid; and

27.2.4 any distinguishing numbers assigned to them.

27.3 No certificate may be issued in respect of Shares of more than one class.

27.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

27.5 Certificates must -

27.5.1 have affixed to them the Company's common seal, if any, or

27.5.2 be otherwise executed in accordance with the Companies Acts.

28 REPLACEMENT SHARE CERTIFICATES

28.1 If a certificate issued in respect of a Shareholder's Shares is -

28.1.1 damaged or defaced, or

28.1.2 said to be lost, stolen or destroyed,

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

- 28.2 A Shareholder exercising the right to be issued with such a replacement certificate -
- 28.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 28.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 28.2.3 must comply with such conditions as to evidence and indemnity as the Directors decide.

DIVIDENDS AND OTHER DISTRIBUTIONS

29 PROCEDURE FOR DECLARING DIVIDENDS

- 29.1 The Company may by ordinary resolution declare dividends.
- 29.2 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.
- 29.3 Subject to Articles 29.1 and 29.2, any and all profits of the Company shall be and are covenanted to be applied as follows:-
- 29.3.1 To a general reserve for the continuation and development of the Company and its purposes; and
 - 29.3.2 To making payment by means of either dividend or charitable donation of the entire surplus not required for the purpose of sub-Article 29.3.1 to MCDC for use in accordance with its charitable objectives.

ADMINISTRATIVE ARRANGEMENTS

30 MEANS OF COMMUNICATION TO BE USED

- 30.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for Documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 30.2 Any notice, Document or other information shall be deemed served on or delivered to the intended recipient -
- 30.2.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier

addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

30.2.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

30.2.3 if properly addressed and sent or supplied by electronic means, one hour after the Document or information was sent or supplied; and

30.2.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

30.3 In proving that any notice, Document or other information was properly addressed, it shall be sufficient to show that the notice, Document or other information was delivered to an address permitted for the purpose by the Act.

30.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any person entitled to receive such notice shall not invalidate the proceedings of that meeting.

30.5 Subject to these 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.

30.6 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.

31 **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

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 Shareholder.

DIRECTORS' INDEMNITY AND INSURANCE

32 **INDEMNITY**

32.1 Subject to Article 32.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled -

32.1.1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer -

32.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

32.1.1.2 in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

32.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 32.1.1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure.

32.2 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.

32.3 In this Article and Article 57 -

32.3.1 companies are associated if one is a Subsidiary of the other or both are subsidiaries of the same body corporate, and

32.3.2 a **"Relevant Officer"** means any Director or other officer or former Director or other officer of the Company or an associated Company (including any Company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act, but excluding in each case any person engaged by the Company (or associated Company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor).

33 **INSURANCE**

33.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

33.2 In this Article a **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer'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.