

The Companies Act 2006  
Private Company Limited by Shares

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**Articles of Association**  
**of**  
**Big Society Capital Limited**

**As amended by Special Resolution dated 21 January 2022**

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# The Companies Act 2006

## Private Company Limited by Shares

### Articles of Association of Big Society Capital Limited

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#### INTERPRETATION AND LIMITATION OF LIABILITY

##### 1. Defined terms

1.1 In the Articles, unless the context requires otherwise:

<b>“A Shares”</b>	means the shares with the rights set out in Article 30;
<b>"Act"</b>	means the Dormant Bank and Building Society Accounts Act 2008 (as amended);
<b>“an associated company”</b>	means in relation to a person, any holding company, subsidiary or subsidiary undertaking or any other subsidiaries or subsidiary undertakings of any such holding company, in each case of such person;
<b>“Articles”</b>	means the company’s Articles of Association;
<b>“B Shares”</b>	means the shares with the rights set out in Article 31;
<b>"Banks"</b>	means Barclays, HSBC, Lloyd’s Banking Group and Royal Bank of Scotland, and any of their associated companies and their respective successors and assigns;
<b>“bankruptcy”</b>	includes bankruptcy proceedings in England and Wales or Northern Ireland or individual insolvency proceedings in another jurisdiction which have an effect similar to that of bankruptcy;
<b>“Bank Director”</b>	means the Director appointed from time to time by the holders of B Shares in accordance with Article 24.5;
<b>“Bank Representative”</b>	means the representative appointed by each holder of the B Shares respectively from time to time to act on its behalf in dealings with the company, who, for the avoidance of doubt, shall act in a different capacity to the Bank Director;
<b>“The Oversight Trust - Assets for the Common Good”</b>	means The Oversight Trust - Assets for the Common Good, a company limited by guarantee, with registered company number 07611016 and registered

	office at 42 Portland Place, London W1B 1NB;
<b>“Board Appointed Director”</b>	means any Director that is not a Bank Director;
<b>“Chair”</b>	has the meaning given in Article 16;
<b>“chair of the meeting”</b>	has the meaning given in Article 16 or 43, as applicable;
<b>“Companies Acts”</b>	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
<b>“company”</b>	means Big Society Capital Limited;
<b>“Director”</b>	means a Director of the company, and includes any person occupying the position of Director, by whatever name called;
<b>“document”</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>“electronic form”</b>	has the meaning given in section 1168 of the Companies Act 2006;
<b>“fully paid”</b>	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;
<b>“hard copy form”</b>	has the meaning given in section 1168 of the Companies Act 2006;
<b>“holder”</b>	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
<b>“instrument”</b>	means a document in hard copy form;
<b>“ordinary resolution”</b>	has the meaning given in section 282 of the Companies Act 2006;
<b>“paid”</b>	means paid or credited as paid;
<b>“participate”</b>	in relation to a Directors’ meeting, has the meaning given in Article 14;
<b>“proxy notice”</b>	has the meaning given in Article 49;
<b>“shareholder”</b>	means a person who is the holder of an A Share and/or a person who is the holder of a B Share, as the context requires;

<b>“shares”</b>	means shares in the company, comprising the A Shares and the B Shares;
<b>“social investment wholesaler”</b>	means a body that exists to assist or enable (by means of investment, co-investment or otherwise) other bodies to give financial or other support to social sector organisations in accordance with the Act;
<b>“social sector organisation”</b>	means a third sector organisation as defined in the Act (being an organisation that exists or operates wholly or mainly to provide benefits for society or the environment);
<b>“special resolution”</b>	has the meaning given in section 283 of the Companies Act 2006;
<b>“subsidiary”</b>	has the meaning given in section 1159 of the Companies Act 2006; and
<b>“writing”</b>	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.

1.2 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.

## 2. Liability of members

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

## OBJECT AND POWERS

### 3. Object

3.1 The object of the company is to act as a social investment wholesaler and generally to promote and develop the social investment marketplace in the United Kingdom.

3.2 In carrying out its object the company shall:

3.2.1 ensure that all dormant account monies received by it directly or indirectly under the Act shall be used by it in a manner that is consistent with being a social investment wholesaler under the Act;

3.2.2 seek to achieve and maintain financial self-sufficiency; and

3.2.3 seek to, through its business and operations, have a material positive impact on society and the environment, taken as a whole.

#### 4. Powers

The company may do all such lawful things as may further its object.

### DIRECTORS

#### DIRECTORS' POWERS AND RESPONSIBILITIES

#### 5. Directors' general authority and responsibilities

5.1 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.

5.2 A Director must act in the way he or she considers, in good faith, most likely to promote the success of the company in achieving the objects set out in Article 3 above, and in doing so shall have regard (amongst other matters) to:

5.2.1 the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,

5.2.2 the interests of the company's employees,

5.2.3 the need to foster the company's business relationships with suppliers, customers and others,

5.2.4 the impact of the company's operations on the community and the environment and on affected stakeholders,

5.2.5 the desirability of the company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and

5.2.6 the need to act fairly as between members of the company,

*(together, the matters referred to above shall be defined for the purposes of this Article as the "Stakeholder Interests" and each a "Stakeholder Interest").*

5.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.

5.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the company).

5.5 The Directors of the company shall, for each financial year of the company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the

company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the company is also required to prepare a strategic report under the Companies Act 2006, the company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

## **6. Bank Director's duties**

6.1.1 A Bank Director will not breach his or her duty to exercise independent judgement if he or she acts in accordance with a direction from all or any of the holders of the B Shares or otherwise takes into account the interests of the Banks.

6.1.2 In the exercise of his or her duties, a Bank Director shall not be restricted by any duty of confidentiality to the company from providing information regarding the company to any holder of B Shares, but a Bank Director who is also a Director of the holder of B Shares shall owe a strict duty of confidentiality to his or her appointing holder of B Shares in relation to confidential information of the shareholder.

## **7. Directors may delegate**

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

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 Subject to the Articles, 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.



8.2 Subject to Articles 9 and 10, 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.

## **9. Nominations and Remuneration Committee**

9.1 The Directors shall establish a nominations and remuneration committee (comprising a majority of non-executive Directors) which shall be responsible for:

9.1.1 ensuring compliance with the appointments procedure and principles and the remuneration principles set out in any agreement from time to time entered into between the company and The Oversight Trust - Assets for the Common Good regulating the governance of the company; and

9.1.2 carrying out any other functions in relation to nominations and remuneration as may be delegated to it by the board of the company from time to time.

9.2 With the exception of the Bank Director, the Directors shall appoint new Board Appointed Directors from amongst candidates recommended to the Directors by the nominations and remuneration committee.

9.3 The nominations and remuneration committee shall carry out its work with due regard for the need to:

9.3.1 maintain an even balance of Board Appointed Directors with experience and expertise of the financial and social sectors of the economy;

9.3.2 ensure that the Board Appointed Directors have an appropriate depth and breadth of expertise for a sophisticated financial institution operating in the social sector; and

9.3.3 provide for fair remuneration commensurate with individual responsibility and contribution, including the potential to reward junior and middle ranking staff for outstanding performance.

## **10. Audit, Risk and Compliance Committee**

10.1 The Directors shall establish an audit, risk and compliance committee (comprising a majority of non-executive Directors) which shall be responsible for:

10.1.1 examining management's processes for ensuring the appropriateness and effectiveness of systems and controls, including risk management;

10.1.2 examining the arrangements made by management to ensure compliance with external regulatory requirements and standards;

10.1.3 overseeing the carrying out of the internal audit function; and

10.1.4 maintaining contact with the external auditors in relation to the annual reports and accounts of the company.

## **DECISION-MAKING BY DIRECTORS**

### **11. Directors to take decisions collectively**

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 12.

### **12. Unanimous decisions**

12.1 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.

12.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing.

12.3 References in this Article to eligible Directors are to Directors who would have been able to vote on the matter had it been proposed as a resolution at a Directors' meeting.

12.4 A decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such a meeting.

### **13. Calling a Directors' meeting**

13.1 Any Director may call a Directors' meeting at any time by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice, provided that a Directors' meeting shall be held at least four times a year.

13.2 Notice of any Directors' meeting must indicate:

13.2.1 its proposed date and time;

13.2.2 where it is to take place; and

13.2.3 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.

13.3 Notice of a Directors' meeting must be given to each Director, but, where given to a Board Appointed Director, need not be in writing.

13.4 A Directors' meeting must be called by at least seven clear days' notice unless either all the Directors agree or urgent circumstances require shorter notice.

### **14. Participation in Directors' meetings**

14.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

14.1.1 the meeting has been called and takes place in accordance with the Articles, and

14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

14.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

14.3 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.

## **15. Quorum for Directors' meetings**

15.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

15.2 The quorum for Directors' meetings shall be four, which must include at least three non-executive Directors.

15.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to appoint further Directors.

## **16. Chairing of Directors' meetings**

### ***Chair***

16.1 The Directors may appoint a Director to chair their meetings generally.

16.2 Any person appointed under Article 16.1 for the time being is known as the Chair.

16.3 The Directors may terminate the appointment of a Chair at any time.

### ***Chair of the meeting***

16.4 If no Chair has been appointed or in the absence of a Chair, the Directors may appoint a Director to chair a specific meeting(s) of the Directors.

16.5 Any person appointed under Article 16.4 for the time being is known as the chair of the meeting.

16.6 The appointment of a chair of the meeting shall terminate following the specific meeting(s) for which he or she is so appointed.

16.7 The chair of a meeting shall have the same rights and powers as a Chair under these Articles in relation to the meeting(s) for which he or she is appointed.

## **17. Casting vote**

17.1 If the numbers of votes for and against a proposal are equal, the Chair or other Director chairing the meeting has a casting vote.

17.2 Article 17.1 does not apply if, in accordance with the Articles, the Chair or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## **DIRECTORS' INTERESTS**

### **18. Directors' interest in relation to transactions or arrangements with the company**

The relevant provisions of the Companies Act 2006 (including without limitation sections 177 and 182 of the Companies Act 2006) shall apply in relation to declarations of interests in proposed and existing transactions or arrangements with the company.

### **19. Inherent conflicts**

19.1 An **Inherent Conflict** is a situation where a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company in circumstances where that situation arises as a direct or indirect result of the Director's relationship with:

19.1.1 The Oversight Trust - Assets for the Common Good; or

19.1.2 the shareholder who appointed him or her (or any of that shareholder's subsidiaries or associated companies).

19.2 A Director is authorised to have an interest which constitutes an Inherent Conflict, including (without limitation) by virtue of:

19.2.1 a Board Appointed Director also being a member of The Oversight Trust - Assets for the Common Good; or

19.2.2 the Bank Director's relationship with any of the Banks.

19.3 A Director who is subject to an Inherent Conflict may, subject to Article 21, vote as a Director (and be counted in the quorum) on a decision concerning any such situation and attend a meeting, or participate in any discussion, relating to that situation and receive information or advice received by the company on such situations.

19.4 Any reference in Article 19.1 to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

### **20. Directors' interests other than in relation to transactions or arrangements with the company**

20.1 If a situation other than one relating to an Inherent Conflict (a **relevant situation**) arises in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply if the conflict of interest does not arise in relation to a transaction or arrangement with the company:

20.1.1 if the relevant situation arises from the appointment or proposed appointment of a person as a Director of the company:

- i. the Directors (other than the Director, and any other Director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution); or
- ii. the shareholders (by ordinary resolution or by notice in writing given to the company by the holders of the A Shares),

may resolve to authorise the appointment of the Director and the relevant situation on such terms as they may determine;

20.1.2 if the relevant situation arises in circumstances other than in Article 20.1.1:

- i. the Directors (other than the Director and any other Director with a similar interest who shall not be counted in the quorum at the meeting and shall not vote on the resolution); or
- ii. the shareholders (by ordinary resolution or by notice in writing given to the company by the holders of the A Shares),

may resolve to authorise the relevant situation and the continuing performance by the Director of his or her duties on such terms as they may determine.

20.2 Any reference in Article 20.1 to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

20.3 Any terms determined by the Directors or the shareholders under Articles 20.1.1 or 20.1.2 may be imposed at the time of the authorisation or may be imposed or varied subsequently by either the Directors or the shareholders and may include (without limitation):

- (i) whether the interested Directors may vote (and be counted in the quorum at any meeting) in relation to any decision relating to the relevant situation;
- (ii) the exclusion of the interested Directors from all information and discussion by the company of the relevant situation; and
- (iii) (without prejudice to the general obligations of confidentiality) the application to the interested Directors of a strict duty of confidentiality to the company for any confidential information of the company in relation to the relevant situation.

20.4 Any authorisation given under Articles 20.1.1 or 20.1.2 may be withdrawn by either the Directors or the shareholders by giving notice to the Director concerned.

20.5 An interested Director must act in accordance with any terms determined by the Directors or the shareholders under Articles 20.1.1 or 20.1.2

20.6 Except as specified in Article 20.1.1, any proposal made to the Directors and any authorisation by the Directors in relation to a relevant situation shall be dealt with in

the same way as any other matter which may be proposed to and decided by the Directors in accordance with the Articles.

- 20.7 Any authorisation of a relevant situation given by the Directors or the shareholders under Article 20.1 may provide that, where the interested Director obtains (other than through his or her position as a Director of the company) information that is confidential to a third party, he or she will not be obliged to disclose it to the company or to use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 20.8 If the Directors make an authorisation under paragraph Article 20.1, impose or vary the terms of an authorisation under Article 20.3, or withdraw an authorisation under Article 20.4, they shall, as soon as reasonably practicable, notify the shareholders of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.
- 20.9 If the shareholders make an authorisation under Article 20.1, impose or vary the terms of an authorisation under Article 20.3, or withdraw an authorisation under Article 20.4, they shall, as soon as reasonably practicable, notify the Directors of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.
- 20.10 A Director shall, as soon as reasonably practicable, declare the nature and extent of his or her interest in a relevant situation within Articles 20.1.1 or 20.1.2 to the other Directors and the shareholders. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.
- 20.11 If a declaration of interest in relation to a relevant situation proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

## **21. Directors' interests generally and voting**

- 21.1 Subject to the Companies Acts and to Articles 18 and 20, a Director notwithstanding his or her office:
- 21.1.1 may be a party to, or otherwise interested or participate in, any transaction or arrangement with the company or in which the company is otherwise interested;
- 21.1.2 may act by himself or herself or by his or her firm in a professional capacity for the company (except as auditor) and he or she or his or her firm shall be entitled to remuneration as if he or she were not a Director;
- 21.1.3 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- 21.1.4 shall not, by reason of his or her office (or of the fiduciary relationship established by holding that office), be accountable to the company for any remuneration, profit or other benefit resulting from any Inherent Conflict

authorised under Article 19, any relevant situation authorised under Article 20 or any interest permitted under Articles 21.1.1, 21.1.2 or 21.1.3, and no contract, transaction or arrangement shall be liable to be avoided on the grounds of any Director having an interest authorised under Articles 19 or 20, or permitted under Articles 21.1.1, 21.1.2 or 21.1.3.

- 21.2 Subject to Articles 18, 20 and 21.3 a Director shall be entitled to vote on any decision concerning any matter in which he or she has, directly or indirectly, an interest or a duty.
- 21.3 For the purposes of this Article 21.3 "relevant shareholder" means any holder of B Shares.

The provisions of Article 21.2 shall not apply with respect to the Bank Director if or to the extent that any matter to be decided upon by the Directors relates to:

- 21.3.1 the company enforcing rights under or taking any action against the relevant shareholder in relation to a breach by the relevant shareholder of an obligation to subscribe for additional shares under any agreement from time to time entered into between the company and that relevant shareholder;
- 21.3.2 the company defending itself against any action taken against it by the relevant shareholder in connection with any agreement from time to time entered into between the company and the relevant shareholder regulating the terms on which the relevant shareholder may subscribe for shares in the company;
- 21.3.3 the company taking any action against the Bank Director in relation to any (or any alleged) breach of duty by that Bank Director; or
- 21.3.4 the company defending itself against any action taken against it by the Bank Director.

In those circumstances, that matter shall be considered at a separate meeting or meetings of the Board (convened solely for the purpose of considering such matter), and the Bank Director shall not be entitled to:

- (A) attend or participate in any discussion of that matter;
- (B) receive information or advice received by the company on such matter; or
- (C) vote (or be counted in the quorum at a meeting) in relation to such matter,

provided that the Chair shall, promptly following the relevant Board meeting or discussion in which the Bank Director was not entitled to attend or participate, report to each of the Bank Representatives directly on those matters discussed at such meeting or provided to the Board (other than the Bank Director) by way of information or advice in connection with the relevant matters (save that where Articles 21.3.1 or 21.3.2 applies, the Chair shall report to each of the Bank Representatives other than the Bank Representative of the Bank concerned in the matter resulting in the exclusion of the Bank Director).

- 21.4 Subject to the Companies Acts, the company may, by ordinary resolution or by notice in writing given to the company by the holders of the A Shares, suspend or relax the provisions of this Article 21 to any extent or ratify any contract, transaction or arrangement not duly authorised by reason of a contravention of this Article 21.
- 21.5 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Board Appointed 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 Chair whose ruling in relation to any Board Appointed Director other than the Chair is to be final and conclusive.
- 21.6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

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

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 unanimous or majority decision taken by the Directors.

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

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**

## **24. Methods of appointing Directors**

### ***Board Appointed Directors***

- 24.1 Subject to Article 24.2, any person who is willing to act as a Board Appointed Director, and is permitted by law to do so, may be appointed a Board Appointed Director by a decision of the Directors.
- 24.2 The Directors shall have due regard in the making of any appointment of a Board Appointed Director to the objective of maintaining an even balance of Board Appointed Directors with experience and expertise in each of the financial and social sectors of the economy.
- 24.3 The Directors shall determine what constitutes relevant experience or expertise in the case of each appointment or proposed appointment of a Board Appointed Director.
- 24.4 Any appointment of a Board Appointed Director shall be subject to subsequent ratification by an ordinary resolution of the members at the first general meeting of the company following the appointment of a Director.



### ***Bank Director***

- 24.5 The holders of the B Shares may from time to time collectively appoint one Director by giving notice in writing to The Oversight Trust - Assets for the Common Good and the company.

## **25. Retirement by rotation**

### ***Automatic retirement of Board Appointed Directors***

- 25.1 At every annual general meeting, one third of the Board Appointed Directors (other than any Board Appointed Directors who are full-time executive Directors of the company) who are subject to retirement by rotation, or the number nearest to one third, must retire from office but may (subject to the provisions of this Article 25) be reappointed by the Directors.
- 25.2 The following rules shall determine who shall retire by rotation under Article 25.1:
- 25.2.1 The Board Appointed Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment.
- 25.2.2 As between persons who became or were last reappointed Board Appointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be decided by lot.

### ***Maximum term of Board Appointed Directors***

- 25.3 A Board Appointed Director must take a break from office and may not be reappointed once he or she has served for three consecutive terms of office or nine years, whichever is the earlier.

### ***Timing of retirement of Board Appointed Directors***

- 25.4 A Board Appointed Director who retires at an annual general meeting and who is not reappointed by the Directors shall retain office until the end of the annual general meeting.

## **26. Termination of Director's appointment**

### ***General termination***

A person ceases to be a Director as soon as:

- 26.1 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;
- 26.2 a bankruptcy order is made against that person;
- 26.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

- 26.4 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;
- 26.5 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
- 26.6 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.

#### ***Termination of Board Appointed Directors***

In addition to Articles 26.1 to 26.6 above, a person ceases to be a Board Appointed Director as soon as:

- 26.7 he or she is removed by a resolution of the Board Appointed Directors acting unanimously (with the exception of the Board Appointed Director concerned) on the grounds that such person's continuing directorship is detrimental to the company or its object; or
- 26.8 the appointment of the Board Appointed Director is not ratified by the members as provided in Article 24.4 (in which case such Board Appointed Director shall retain office until the end of the general meeting at which such ratification is put to members).

#### ***Termination of Bank Director***

- 26.9 The holders of the B Shares may from time to time remove the Bank Director at their sole discretion by giving written notice to The Oversight Trust - Assets for the Common Good and the company.
- 26.10 The Oversight Trust - Assets for the Common Good (or any subsequent holders of A Shares) shall not be entitled to remove the Bank Director.

### **27. Directors' expenses and remuneration**

- 27.1 The company may pay any reasonable expenses which the Directors properly incur in connection with:
  - 27.1.1 attendance at meetings of Directors or committees of Directors;
  - 27.1.2 attendance at general meetings;
  - 27.1.3 attendance at separate meetings of the holders of any class of shares or of debentures of the company; or
  - 27.1.4 otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

27.2 The company may pay reasonable and proper remuneration to any Director for any goods or services supplied to the company, including the service of acting as a Director of the company and any services performed under a contract of employment with the company.

## **28. Alternate Directors**

28.1 Any Director (the “**appointor**”) may at any time appoint any person (including another Director) to be his or her alternate (the “**Alternate**” or the “**Alternate Director**”) and may at any time terminate such appointment.

28.2 The appointment or termination of appointment of an Alternate Director must be made by notice in writing signed by the appointor or in any other manner approved by the Directors.

28.3 The notice must identify the proposed Alternate and, in the case of an appointment, contain a statement signed by the proposed Alternate stating that the proposed Alternate is willing to act as the Alternate of the Director giving the notice.

28.4 The appointment of an Alternate Director shall terminate:

28.4.1 when the appointor revokes the appointment by notice to the company specifying when it is to terminate;

28.4.2 on the occurrence in relation to the Alternate of any event which if it happened to the Alternate’s appointor, would result in the termination of the appointor’s appointment as a Director;

28.4.3 on the death of the Alternate’s appointor; or

28.4.4 if his or her appointor otherwise ceases to be a Director.

28.5 Subject to Articles 18 to 21, an Alternate Director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his or her appointor is a member and shall be entitled to attend and vote as a Director at any such meeting and be counted in the quorum at any such meeting at which his or her appointor is not personally present and generally at such meetings to perform all functions of his or her appointor as a Director and may otherwise participate in a unanimous decision of the Directors (but only if his or her appointor is an eligible Director in relation to that decision and is not participating). For the purposes of the proceedings at such meetings, the provisions of these Articles shall apply as if the Alternate Director (instead of his or her appointor) were a Director.

28.6 If an Alternate is himself or herself a Director or shall attend any such meeting as an Alternate for more than one Director, his or her voting rights shall be cumulative but he or she shall not be counted more than once for the purposes of the quorum.

- 28.7 If his or her appointor is for the time being temporarily unable to act through ill health or disability, an Alternate's signature to any resolution in writing of the Directors shall be as effective as the signature of his or her appointor.
- 28.8 This Article 28 shall also apply (with such changes as are necessary) to such extent as the Directors may from time to time resolve to any meeting of any committee of the Directors of which the appointor of an Alternate Director is a member.
- 28.9 An Alternate Director shall not (except as otherwise provided in this Article 28) have power to act as a Director, nor shall he or she be deemed to be a Director for the purposes of these Articles, nor shall he or she be deemed to be the agent of his or her appointor.
- 28.10 An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent as if he or she were a Director.
- 28.11 An Alternate shall not be entitled to receive remuneration from the company in respect of his or her appointment as Alternate Director except to the extent his or her appointor directs (by notice in writing) the company to pay to the Alternate some of the remuneration otherwise payable to that Director.

## SHARES AND DISTRIBUTIONS

### SHARES

#### 29. Powers to issue different classes of share

- 29.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the company may issue shares (which shall be either A Shares or B Shares) in cash at par value and immediately payable.
- 29.2 At any time after the period during which the Banks are under an obligation to subscribe for B Shares pursuant to any agreement in place between the company, The Oversight Trust - Assets for the Common Good and the Banks from time to time, before issuing to any person any shares, or granting any rights to subscribe for or convert securities into shares, the company shall first offer such shares or rights to every holder of A Shares and every holder of B Shares (the "**Offer**").
- 29.3 Any Offer made pursuant to Article 29.2 shall:
- 29.3.1 be made by notice stating the number or amount of shares (or rights to shares) being offered, the price at which they are being offered (the "**Offer Price**") and any other terms of the Offer (which in the case of an Offer to:
- i. The Oversight Trust - Assets for the Common Good (or its permitted successor as holder of the A Shares) shall be for the issue of A Shares or grant of rights over A Shares; and

- ii. the holders of B Shares shall be for the issue of B Shares or grant of rights over B Shares,

and, in each case, the relevant shares shall be issued, or rights over shares shall be granted, on no less favourable terms than the terms on which any existing shares held by The Oversight Trust - Assets for the Common Good or the Banks were issued); and

29.3.2 remain open for the period (being not less than 14 days) specified in the notice.

29.4 The company shall issue the shares or grant the rights to those shareholders who apply for them and (in the case of competition) as far as practicable in proportion to the number of shares held by them respectively at such time, but so that an applicant shall not be allotted or granted more shares or rights than the number for which he or she has applied.

29.5 Any share or right not taken up under the Offer may, at any time within three months after the expiry of the Offer, be issued or granted by the company to:

29.5.1 those of the shareholders who do take up the Offer, in proportion to their respective shareholdings at that time; and

29.5.2 subject to Article 29.5.1 and to any such shares or rights not being taken up pursuant to that Article, such suitable party (as defined in Article 35) as the Board determines,

at such price (being not less than the Offer Price) and on such terms (being no less favourable to the company than the terms of the Offer) as the Board determines, provided that, in any event, The Oversight Trust - Assets for the Common Good (or its permitted successor as holder of the A Shares) shall only be able to subscribe for A Shares and the holders of the B Shares shall only be able to subscribe for B Shares.

29.6 Articles 29.2 to 29.5 shall not apply if The Oversight Trust - Assets for the Common Good and each of the holders of the B Shares consent otherwise.

29.7 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.

### **30. A Shares**

30.1 Subject to Article 30.4, all the A Shares in the company shall be held by The Oversight Trust - Assets for the Common Good.

30.2 Subject to Articles 30.3, 30.4, 30.5, 31 and 60, The Oversight Trust - Assets for the Common Good shall, as holder of the A Shares, have all the rights of a shareholder under the Companies Acts and shall be entitled to exercise all the votes of a shareholder for the purposes of the Companies Acts.

- 30.3 Whenever the holders of the A Shares are entitled to vote at a general meeting of the company, upon any resolution proposed at such a general meeting, on a show of hands every holder thereof who is present in person or (being a corporation) by a representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a representative shall have one vote in respect of each fully paid A Share registered in the name of such holder, provided that at all times the minimum number of votes capable of being exercised on those shares shall be such number of votes as is equal to eighty per cent. of the total votes capable of being cast on all issued shares of the company.
- 30.4 A Shares are not transferable except to a successor body to The Oversight Trust - Assets for the Common Good having substantially the same object and are not redeemable.
- 30.5 Subject to the Articles, the holders of A Shares are entitled to a dividend on the basis that each issued A Share will participate in any dividend *pari passu* with each issued B Share.

### **31. B Shares**

- 31.1 B Shares shall be issued only to the Banks.
- 31.2 The holders of the B Shares shall, subject to Articles 31.3, 31.4, 31.5 and 60, by virtue of and in respect of their holdings of B Shares, have all the rights of a shareholder under the Companies Acts and shall be entitled to exercise all the votes of a shareholder for the purposes of the Companies Acts.
- 31.3 Whenever the holders of the B Shares are entitled to vote at a general meeting of the company, upon any resolution proposed at such a general meeting, on a show of hands every holder thereof who is present in person or (being a corporation) by a representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a representative shall have one vote in respect of each fully paid B Share registered in the name of such holder, provided that if a holder of B Shares holds five per cent. or more of the aggregate nominal value of the company's shares, the number of votes capable of being exercised on those shares shall be capped at five per cent. of the total votes capable of being cast on all issued shares of the company at such time.
- 31.4 On a return of capital on winding-up or otherwise, the holders of the B Shares shall be entitled in priority to any payment to the holders of any other class of shares to the repayment of a sum equal to the nominal capital paid up or credited as paid up on the B Shares held by them respectively.
- 31.5 Subject to the Articles, the holders of B Shares are entitled to a dividend on the basis that each issued B Share will participate in any dividend *pari passu* with each issued A Share.

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

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 to recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

## **33. Share certificates**

33.1 The company may issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

33.2 Every certificate must specify:

33.2.1 in respect of how many shares, of what class, it is issued;

33.2.2 the nominal value of those shares;

33.2.3 that the shares are fully paid; and

33.2.4 any distinguishing numbers assigned to them.

33.3 No certificate may be issued in respect of shares of more than one class.

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

33.5 Certificates must:

33.5.1 have affixed to them the company's common seal, or

33.5.2 be otherwise executed in accordance with the Companies Acts.

## **34. Replacement share certificates**

34.1 If a certificate issued in respect of a shareholder's shares is:

34.1.1 damaged or defaced, or

34.1.2 said to be lost, stolen or destroyed,

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

34.2 A shareholder exercising the right to be issued with such a replacement certificate:

34.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

34.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and

34.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

### **35. Share transfers**

35.1 A holder of B Shares may not transfer any of its shares or any interest in any of its shares to any person other than:

35.1.1 to an associated company on the terms of Article 35.2; or

35.1.2 to a third party on the terms of Article 35.3.

35.2 A holder of B Shares (the “**Transferor**”) may at any time transfer all or any of its B Shares to an associated company (the “**Transferee**”) on giving prior written notice to The Oversight Trust - Assets for the Common Good, copied to the company.

35.3 After 31 March 2017, a holder of B Shares may transfer any or all of its B Shares to a suitable party on such terms as the Transferor and that suitable party agree.

35.4 For the purposes of Article 29.5 and this Article 35.3, a “**suitable party**” is any person (which shall be deemed to include any body corporate or unincorporate), other than a person which falls into any of the following categories or which has a Director, parent company, or other associate company falling into any such category, or which is controlled by a person who falls into any such category or by a nominee or trustee acting on behalf of a trust or similar arrangement established either by a settlor falling into any such category or for the benefit of a beneficiaries who include a beneficiary falling into any such category), the categories mentioned above being:

(a) a person who is subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department; or is named in the consolidated list of persons, groups or entities subject to European Union sanctions administered by the European External Action Service of the European Commission; or is a “designated person” under the Terrorist Asset-Freezing etc. Act 2010 (as amended, supplemented or replaced from time to time);

(b) a person who the Banks, having reasonable regard to any representation made by the company, determine is otherwise not a reputable person; or

(c) a person whose status or characteristics are such that such transfer, disposition or encumbrance to such person would materially increase the costs, obligations or liabilities of the company or its Directors.

35.5 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any shares.

35.6 The company may retain any instrument of transfer which is registered.

35.7 The transferor remains the holder of any shares until the transferee’s name is entered in the register of members as holder of it.



- 35.8 The Directors may not refuse to register the transfer of any shares permitted by Articles 30.4, 35.2 or 35.3, but may otherwise refuse to do so. If they refuse to register the transfer of any shares, 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.

#### VARIATION OF SHARE RIGHTS

### **36. Variation of rights**

- 36.1 Subject to Article 36.2, whenever the capital of the company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not the company is being wound up) be varied with the consent in writing of the holders of three-fourths in nominal value of the A Shares and the holders of three-fourths in nominal value of the B Shares respectively.
- 36.2 For the avoidance of doubt, a variation to any of the following Articles shall, without limitation, be deemed to be a variation of the rights attached to the B Shares requiring consent under Article 36.1:
- 36.2.1 Article 6 (Bank Director's duties);
  - 36.2.2 Article 13 (Calling a Directors' meeting);
  - 36.2.3 Article 19 (Inherent conflicts);
  - 36.2.4 Article 21 (Directors' interests generally and voting);
  - 36.2.5 Article 24.5 (Appointment of Bank Director);
  - 36.2.6 Articles 26.9 and 26.10 (Termination of Bank Director);
  - 36.2.7 Article 29 (Powers to issue different classes of share);
  - 36.2.8 Article 31 (B Shares);.
  - 36.2.9 Article 35 (Share transfers);
  - 36.2.10 Article 36 (Variation of rights);
  - 36.2.11 Article 59 (Information Rights);
  - 36.2.12 Article 60 (Winding-Up); and
  - 36.2.13 any other variation to these Articles which prejudice or dilute any of the rights or protections afforded to the holders of the B Shares (including by varying the class rights attaching to the A Shares or otherwise) under these Articles.

## **DISTRIBUTIONS**

### **37. Procedure for declaring dividends**

- 37.1 The company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.
- 37.2 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.
- 37.3 A dividend must be paid by reference to each shareholder's holding of shares as calculated and set out in the resolution declaring the dividend.

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

- 38.1 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:
  - 38.1.1 transfer to a bank or building society account specified by the payee either in writing or as the Directors may otherwise decide;
  - 38.1.2 sending a cheque made payable to the payee by post to the payee at the payee's registered address (if the payee is a holder of the share), or (in any other case) to an address specified by the payee either in writing or as the Directors may otherwise decide;
  - 38.1.3 sending a cheque made payable to such person by post to such person at such address as the payee has specified either in writing or as the Directors may otherwise decide; or
  - 38.1.4 any other means of payment as the Directors agree with the payee either in writing or by such other means as the Directors decide.
- 38.2 In the Articles, the "payee" means, in respect of a share in respect of which a dividend or other sum is payable:
  - 38.2.1 the holder of the share; or
  - 38.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 38.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee; or
  - 38.2.4 such other person or persons as the holder (or, in the case of joint holders, all of them) may direct.

### **39. No interest on distributions**

- 39.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- 39.1.1 the terms on which the share was issued; or
- 39.1.2 the provisions of another agreement between the holder of that share and the company.

## **DECISION-MAKING BY SHAREHOLDERS**

### **ANNUAL GENERAL MEETINGS**

#### **40. Annual general meetings**

- 40.1 The company shall hold an annual general meeting within 18 months of incorporation and afterwards once in every calendar year and not more than 15 months shall pass between one annual general meeting and the next. It shall be held at such time and place as the Directors think fit.
- 40.2 The trustees of The Oversight Trust - Assets for the Common Good, each Bank Representative, and such other persons as the Directors may from time to time decide, shall be invited to each annual general meeting of the company.
- 40.3 The annual accounts of the company and the Directors' report shall be presented at the annual general meeting.

### **ORGANISATION OF GENERAL MEETINGS**

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

- 41.1 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.
- 41.2 A person is able to exercise the right to vote at a general meeting when:
  - 41.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 41.2.2 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.
- 41.3 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.
- 41.4 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.
- 41.5 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.

## **42. Quorum for general meetings**

- 42.1 The quorum for general meetings shall be the holder of one A Share.
- 42.2 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

## **43. Chairing general meetings**

- 43.1 If the Directors have appointed a chair, the Chair shall chair general meetings if present and willing to do so.
- 43.2 If the Directors have not appointed a chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
  - 43.2.1 the Directors present, or
  - 43.2.2 (if no Directors are present), the meeting,must appoint a Director or holder of an A Share to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- 43.3 The person chairing a meeting in accordance with this Article is referred to as “the chair of the meeting”.

## **44. Attendance and speaking by Directors and non-shareholders**

- 44.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 44.2 The chair of the meeting may permit other persons who are not:
  - 44.2.1 shareholders of the company, or
  - 44.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,to attend and speak at a general meeting.

## **45. Adjournment**

- 45.1 If a quorum is not present within half an hour of the time at which the meeting was due to start, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.
- 45.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
  - 45.2.1 the meeting consents to an adjournment, or

- 45.2.2 it appears to the chair 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.
- 45.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 45.4 When adjourning a general meeting, the chair of the meeting must:
- 45.4.1 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
- 45.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 45.5 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):
- 45.5.1 to the same persons to whom notice of the company's general meetings is required to be given, and
- 45.5.2 containing the same information which such notice is required to contain.
- 45.6 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

### 46. Voting: general

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.

### 47. Errors and disputes

- 47.1 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.
- 47.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

### 48. Poll votes

- 48.1 A poll on a resolution may be demanded:
- 48.1.1 in advance of the general meeting where it is to be put to the vote, or
- 48.1.2 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.
- 48.2 A poll may be demanded by:

- 48.2.1 the chair of the meeting;
  - 48.2.2 the Directors;
  - 48.2.3 The Oversight Trust - Assets for the Common Good; or
  - 48.2.4 a holder of B Shares.
- 48.3 A demand for a poll may be withdrawn if:
- 48.3.1 the poll has not yet been taken, and
  - 48.3.2 the chair of the meeting consents to the withdrawal.
- 48.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

#### **49. Content of proxy notices**

- 49.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:
- 49.1.1 states the name and address of the shareholder appointing the proxy;
  - 49.1.2 identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
  - 49.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 49.1.4 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.
- 49.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 49.3 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.
- 49.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 49.4.1 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
  - 49.4.2 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.

#### **50. Delivery of proxy notices**

- 50.1 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.

- 50.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 50.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 50.4 If a proxy notice is not executed 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.

## **51. Amendments to resolutions**

- 51.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - 51.1.1 notice of the proposed amendment is given to the company 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 chair of the meeting may determine), and
  - 51.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 51.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 51.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 51.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 51.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## **ADMINISTRATIVE ARRANGEMENTS**

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

- 52.1 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.
- 52.2 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.

- 52.3 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.

### **53. Company seals**

- 53.1 Any common seal may only be used by the authority of the Directors.
- 53.2 The Directors may decide by what means and in what form any common seal is to be used.
- 53.3 Unless otherwise decided by the Directors, if the company has a common seal and it 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.
- 53.4 For the purposes of this Article, an authorised person is:
- 53.4.1 any Director of the company;
  - 53.4.2 the company secretary (if any); or
  - 53.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

### **54. 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.

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

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**

### **56. Indemnity**

- 56.1 Subject to Article 56.2, a relevant Director of the company or an associated company may be indemnified out of the company's assets against:
- 56.1.1 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;



56.1.2 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); and

56.1.3 any other liability incurred by that Director as an officer of the company or an associated company.

56.2 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.

56.3 In this Article, a “relevant Director” means any Director or former Director of the company or an associated company.

## **57. Insurance**

57.1 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.

57.2 In this Article:

57.2.1 a “relevant Director” means any Director or former Director of the company or an associated company; and

57.2.2 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.

## **58. Exclusion of model articles**

The model articles for a private company limited by shares set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 are expressly excluded.

## **INFORMATION**

## **59. Information Rights**

The company shall on request provide the trustees of The Oversight Trust - Assets for the Common Good and the Bank Representatives with copies of all strategy documents, policy documents, each annual budget and terms of reference for committees which in each case may be approved, subject to Articles 9 and 10, by the Directors of the company from time to time, together with any other information or documents reasonably requested by the trustees of The Oversight Trust - Assets for the Common Good or the Bank Representatives.

## **WINDING-UP**

## **60. Winding-Up**

60.1 Upon the winding up or dissolution of the company any property shall be dealt with in the following manner and order of priority:

- 60.1.1 first, the satisfaction of all the company's debts and liabilities;
- 60.1.2 second, the return of an amount equivalent to the nominal value of the B Shares to the holders of the B Shares;
- 60.1.3 third, the return of an amount equivalent to the nominal value of the A Shares to the holders of the A Shares; and
- 60.1.4 fourth, any surplus to the holders of the A Shares and to the holders of B Shares in proportion to their shareholding,

provided that any such property to be transferred to The Oversight Trust - Assets for the Common Good (as a holder of the A Shares) may, at the direction of The Oversight Trust - Assets for the Common Good, be transferred to any other institution or institutions having objects similar to the company with respect to the promotion of the social investment marketplace in the United Kingdom or otherwise to any charitable institution or institutions or in furtherance of any other charitable object.