

Company Number 7124650

ARTICLES OF ASSOCIATION

of

**BATA ONLINE LIMITED
A COMPANY LIMITED BY GUARANTEE**

Defined terms

1. In the Articles, unless the context requires otherwise:-

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

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

“Chairman” has the meaning given in Article 13;

“Chairman of the Meeting” has the meaning given in Article 29;

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

“Council” means the board of directors from time to time of the Company

“Council Member” 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;

“Electronic Form” has the meaning given in section 1168 of the Companies Act 2006;

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

“Ordinary Resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a Council meeting, has the meaning given in Article 11;

“proxy notice” has the meaning given in Article 35;

“Special Resolution” has the meaning given in section 283 of the Companies Act 2006;

“Subsidiary” has the meaning given in section 1159 of the Companies Act 2006; and

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

Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company. The Company is a company limited by guarantee and does not have a share capital.

Liability of Members

2. The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:-
 - (a) payment of the Company’s debts and liabilities contracted before he ceases to be a Member;
 - (b) payment of the costs, charges and expenses of winding up, and
 - (c) adjustment of the rights of the contributories among themselves.

Council’s general authority

3. Subject to the Articles, the Council is responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

Members’ reserve power

4.
 - (1) The Members may, by Special Resolution, direct the Council Members to take, or refrain from taking, specified action.
 - (2) No such Special Resolution invalidates anything which the Council Members have done before the passing of the resolution.

Number of Council Members

5. The number of Council Members (excluding alternate directors and shadow directors) shall be not more than 9.

Council may delegate

6. (1) Subject to the Articles, the Council may delegate any of the powers which are conferred on it under the Articles:-
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;as it thinks fit.
- (2) If the Council so specifies, any such delegation may authorise further delegation of the Council's powers by any person to whom they are delegated.
- (3) The Council may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

7. (1) Committees to which the Council delegates any of its 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 Council Members.
- (2) The Council 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.

Council to take decisions collectively

8. (1) The general rule about decision-making by the Council is that any decision of the Council must be either a majority decision at a meeting or a decision taken in accordance with Article 9.
- (2) If:-
 - (a) the Company only has one Council Member, and
 - (b) no provision of the Articles requires it to have more than one Council Member, the general rule does not apply, and the sole Council Member may take decisions without regard to any of

the provisions of the Articles relating to the Council's decision-making.

Unanimous decisions

9. (1) A decision of the Council is taken in accordance with this Article when all eligible Council Members indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Council Member or to which each eligible Council Member has otherwise indicated agreement in writing.
- (3) References in this Article to eligible Council Members are to Council Members who would have been entitled to vote on the matter had it been proposed as a resolution at a Council meeting.
- (4) A decision may not be taken in accordance with this Article if the eligible Council Members would not have formed a quorum at such a meeting.

Calling a Council meeting

10. (1) Any Council Member may call a Council meeting by giving notice of the meeting to the Council or by authorising the Company secretary (if any) to give such notice.
- (2) Notice of any Council meeting must indicate:-
 - (a) its proposed date and time;
 - (b) where it is to take place; and
 - (c) if it is anticipated that Council Members 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.
- (3) Notice of a Council meeting must be given to each Council Member, but need not be in writing.
- (4) Notice of a Council meeting need not be given to Council Members who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in Council meetings

11. (1) Subject to the Articles, Council Members participate in a Council meeting, or part of a Council meeting, when:-
 - (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Council Members are participating in a Council meeting, it is irrelevant where any Council Member is or how they communicate with each other.
- (3) If all the Council Members participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for Council meetings

12. (1) At a Council meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for Council meetings may be fixed from time to time by a decision of the Council Members, but it must never be less than three (no two of whom may be directors, members or representatives of the same Member), and unless otherwise fixed it is three (no two of whom may be directors, members or representatives of the same Member).
- (3) If the total number of Council Members for the time being is less than the quorum required, the Council must not take any decision other than a decision:-
 - (a) to appoint further Council Members, or
 - (b) to call a general meeting so as to enable the Members to appoint further Council Members.

Chairing of Council meetings

13. (1) The Council may appoint a Council Member to chair their meetings.
- (2) The person so appointed for the time being is known as the Chairman.
- (3) The Council may terminate the Chairman's appointment at any time.
- (4) If the Chairman is not participating in a Council meeting within ten minutes of the time at which it was to start, the participating Council Members must appoint one of themselves to chair it.

Casting vote

14. (1) If the numbers of votes for and against a proposal are equal, the Chairman or other Council Member chairing the meeting has a casting vote.
- (2) The provisions of Article 14 (1) do not apply if, in accordance with the Articles, the Chairman or other Council Member is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

15. (1) If a proposed decision of the Council is concerned with an actual or proposed transaction or arrangement with the Company in which a Council Member is interested, or in which a Council Member shall have an actual or potential conflict of interest that Council Member shall declare the nature of his interest or of any such conflict at a meeting of the Council in accordance with the Companies Act 2006 or by notice in accordance with section 184 and section 185 of the Companies Act 2006. Notwithstanding any such disclosure, no Council Member shall be entitled to vote in respect of any such transaction or arrangement in which he is interested nor shall he be counted in reckoning whether a quorum is present or not although he shall, for the avoidance of doubt, be entitled to attend and speak at all relevant meetings.
- (2) For the purposes of this Article, references to proposed decisions and decision-making processes include any Council meeting or part of a Council meeting.
- (3) Subject to paragraph (4) of this Article, if a question arises at a meeting of the Council or of a committee of the Council as to the right of a Council Member 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 Council Member other than the Chairman is to be final and conclusive.
- (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 Council 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.

Records of decisions to be kept

16. The Council 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 Council.

Council's discretion to make further rules

17. Subject to the Articles, the Council 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 the Council Members.

Methods of appointing Council Members

18. (1) Subject to the provisions of Article 19, any person who is willing to act as a Council Member, and is permitted by law to do so, may be appointed to be a Council Member:-
 - (a) by Ordinary Resolution, or
 - (b) by a decision of the Council.

PROVIDED THAT any Council Member appointed by a decision of the Council pursuant to Article 18 (1)(b) must retire at the next annual general meeting of the Company and must not be taken into account in determining the Council Members who are to retire by rotation at such meeting.

- (2) In any case where, as a result of death, the Company has no Members and no Council Members, the personal representatives of the last Member to have died have the right, by notice in writing, to appoint a person to be a Council Member.
- (3) For the purposes of paragraph (2) of this Article, where 2 or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

Retirement of Council Members by Rotation

19. (1) At the first annual general meeting of the Company all of the Council Members shall retire from office, and at every subsequent annual general meeting one-third of the Council Members who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office but, if there is only one Council Member who is subject to retirement by rotation, he shall retire.
- (2) The Council Members to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed Council Members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- (3) If the Company, at the meeting at which a Council Member retires by rotation, does not fill the vacancy, the retiring Council Member shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Council Member is put to the meeting and lost.

Termination of Council Member's appointment

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

Council Member's remuneration

22. (1) Council Members may undertake any services for the Company that the Council decides.
- (2) Council Members are entitled to such remuneration as the Council determines:-
 - (a) for their services to the Company as Council Members, and
 - (b) for any other service which they undertake for the Company.
- (3) Subject to the Articles, a Council Member's remuneration may:-
 - (a) take any form, and

- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Council Member.
- (4) Unless the Council decides otherwise, Council Members' remuneration accrues from day to day.
- (5) Unless the Council decides otherwise, Council Members are not accountable to the Company for any remuneration which they receive as Council Members or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

Council Members expenses

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

Alternate Directors

23. (1) Any Council Member ("the Appointor") may appoint as an alternate any other Council Member or any other person approved by resolution of the Council to exercise that Council Member's powers and carry out that Council Member's responsibilities in relation to the taking of decisions by the Council in the absence of the Appointor.
- (2) Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor or in any other manner approved by the Council.
- (3) The notice must:-
- (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Council Member giving the notice.

- (4) An alternate may act in that capacity to more than one Council Member and has the same rights in relation to any decision of the Council as the Appointor.
- (5) Except as the Articles specify otherwise, alternates:-
- (a) are deemed for all purposes to be Council Members;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointor (including those set out in sections 172 to 177 of the Companies Act 2006 inclusive and in Article 15); and
 - (d) are not deemed to be the agents of or for their Appointors

and, in particular, without limitation, each Alternate shall be entitled to receive notice of all meetings of the Council and of all meetings of committees of the Council of which his Appointor is a member.

- (6) A person who is an alternate, but not a Council Member:-
- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating and provided that no alternate may be counted as more than one Council Member for these purposes);
 - (b) may participate in a unanimous decision of the Council (but only if his Appointor does not participate); and
 - (c) may sign a Written Resolution (but only if it is not signed or to be signed by that person's Appointor).
- (7) A Council Member who is also an alternate is entitled, in the absence of any of his Appointors, to a separate vote on behalf of any such Appointor, in addition to his own vote on any decision of the Council but he shall count as only one for the purpose of determining whether a quorum is present.
- (8) An alternate is not entitled to receive any remuneration from the Company for serving as an alternate except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- (9) An alternate's appointment as an alternate for any Appointor terminates:-
- (a) when that Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- (b) when notification is received by the Company from the alternate that the alternate is resigning as alternate for that Appointor and such resignation has taken effect in accordance with its terms;
- (c) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to that Appointor, would result in the termination of that Appointor's appointment as director;
- (d) on the death of that Appointor; or
- (e) when the alternate's Appointor's appointment as a Council Member terminates.

Applications for Membership

24. No person (other than a subscribing Member) shall become a Member of the Company unless:-
- (a) that person has completed an application for Membership in a form approved by the Council, and
 - (b) the Council has approved the application.

Termination of Membership

25. (1) A Member may withdraw from Membership of the Company by giving 7 days' notice to the Company in writing.
- (2) Membership is not transferable.
- (3) A person's Membership terminates when that person dies or ceases to exist.
- (4) A person's Membership shall terminate:-
- (a) automatically on such Member's failure to pay any annual subscription required by decision of the Council from time to time or any other amount properly owed by it to the Company within 1 month of the due date for payment;
 - (b) by a unanimous decision of the Council, where such Member has failed to comply with any rules of membership which may be published from time to time by the Council; and
 - (c) by a unanimous decision of the Council, where such Member, in the reasonable opinion of the Council, has brought the Company into disrepute and has failed to resign (having been

given the opportunity to explain or justify its conduct) within one week of being requested to do so by the Council.

For the avoidance of doubt, no Council Member who is a director, member or representative of the Member alleged to have failed to comply with the rules of membership or to have brought the Company into disrepute shall be entitled to count in a quorum or vote on any decision of the Council to be taken pursuant to Articles 25(4)(b) or 24(4)(c) and reference to “unanimous decisions” in those Articles shall mean unanimous decisions of all of the remaining Council Members.

Annual General Meetings

26. (1) The Company in each year shall hold a general meeting as its annual general meeting in addition to any other general meetings held in that year, and shall specify the meeting as such in the notice calling it.
- (2) Not more than 15 months shall elapse between the date of one annual general meeting of the Company and the next.
- (3) Provided that the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the calendar year of its incorporation or in the following calendar year.
- (4) The Members may require the Company to give to Members entitled to receive notice of the next annual general meeting notice of a resolution which may properly be moved and is intended to be moved at that meeting.
- (5) A resolution may properly be moved at an annual general meeting unless:-
- (a) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or with the Company’s constitution or otherwise);
 - (b) it is defamatory of any person; or
 - (c) it is frivolous or vexatious.
- (6) The Company must give notice of a resolution once it has received a request that it do so from at least five Members who have a right to vote on the resolution at the annual general meeting to which the request relates.
- (7) A request made under this Article:-
- (a) may be by hard copy or in Electronic Form;
 - (b) must identify the resolution of which notice is to be given;

- (c) must be authenticated by the person or persons making it; and
- (d) must be received by the Company not later than:-
 - (i) six weeks before the annual general meeting to which the request relates; or
 - (ii) if later, the time at which the notice is given of that meeting.

Attendance and speaking at general meetings

27. (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when:-
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The Council may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

28. No business other than the appointment of the Chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. A quorum for a general meeting of the Company shall be 10.

Chairing general meetings

29. (1) If the Council has appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- (2) If the Council has not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:-
- (a) the Council Members present, or
- (b) (if no Council Members are present) the meeting,
- must appoint a Council Member or Member to chair the meeting, and the appointment of the Chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this Article is referred to as “the Chairman of the Meeting”.

Attendance and speaking by Council Members and non-Members

30. (1) Council Members may attend and speak at general meetings, whether or not they are Members.
- (2) The Chairman of the Meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

Adjournment

31. (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- (2) The Chairman of the meeting may adjourn a general meeting at which a quorum is present if:-
- (a) the meeting consents to an adjournment, or
- (b) it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the Chairman of the Meeting must:-

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Council, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):-
- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting

32. 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. Each member voting shall have one vote each.

Errors and disputes

33. (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the Chairman of the Meeting whose decision is final.

Poll votes

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

- (2) A poll may be demanded by:-
 - (a) the Chairman of the Meeting;
 - (b) the Council;
 - (c) two or more persons having the right to vote on the resolution;
or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if:-
 - (a) the poll has not yet been taken, and
 - (b) the Chairman of the Meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

Content of proxy notices

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

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

36. (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.
- (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.
- (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.
- (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.

Amendments to resolutions

37. (1) An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:-
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- (2) A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:-
- (a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

Means of communication to be used

38. (1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- (2) Subject to the Articles, any notice or document to be sent or supplied to a Council Member in connection with the taking of decisions by the Council Member may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A Council Member may agree with the Company that notices or documents sent to that Council Member 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.

Provision for employees on cessation of business

39. The Council 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 Council Member or a former Council Member or a 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.

Indemnity

40. (1) Subject to paragraph (2), a relevant Council Member may be indemnified out of the Company's assets against:-
- (a) any liability incurred by that Council Member in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
 - (b) any liability incurred by that Council Member in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that Council Member as an officer of the Company or an associated company.

- (2) This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this Article:-
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
 - (b) a “relevant Council Member” means any Council Member or former Council Member of the Company or an associated company.

Insurance

41. (1) The Council may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Council Member in respect of any relevant loss.
- (2) In this Article:-
- (a) a “relevant Council Member” means any Council Member or former Council Member of the Company or an associated company,
 - (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Council Member in connection with that Council Member’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company, and
 - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Distributions

42. (1) No amount or portion of the income or profits of the Company, however derived, shall be paid or transferred directly or indirectly by way of dividend, bonus or other distribution to the Members.
- (2) If on the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members but shall be given or transferred to some other association, body or bodies (whether corporate or not) or just having a purpose similar to the purpose of the Company, and which shall prohibit the distribution of its or their income and property among its and their members to an extent at least as great as is imposed on the Company.