

THE ONE TOUCH SWITCHING COMPANY LIMITED

("the Company")

Company Number: 14115273

ARTICLES OF ASSOCIATION

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INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

1.1 In the Articles, unless the context requires otherwise—

Affiliate	means, in relation to a Member or intending Member, any entity that directly or indirectly controls, is controlled by, or is under common control with that party. For these purposes control means (i) the meaning given in section 1124 of the Corporation Tax Act 2010 OR, (ii) the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the general management of the company; and controls, controlled and the expression change of control shall be interpreted accordingly.
Alternate Director	has the meaning set out in Article 21.1.
Annual	means pertaining to a twelve month period beginning on 1 January and ending on 31 December.
Annual Membership Fee	means the non-refundable annual fee charged to each Member for membership in the Company determined by the board of Directors in accordance with Article 5.1.
All-Constituencies Resolution	means a Members' resolution in which a majority of Members in each and every Constituency votes in favour of a resolution (and in respect of which all the Constituencies are therefore unanimously in favour).
Appointer	has the meaning given in Article 21.1.
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.
Business Day	means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business.
Business Focussed Provider	means a Provider whose end-user customers are predominantly businesses not consumers.
Chair	has the meaning given in Article 13.
Chair of the Meeting	has the meaning given in Article 34.
Companies Acts	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company.
Company Secretary	means the secretary of the Company and any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.
Conflict	means a situation in which a Director has (or may have) a direct or indirect interest that conflicts (or may conflict) with the interests of the Company.

Constituency	means a constituency of Members established in order to elect a Director or Directors in respect of their Constituency; and to carry on certain other matters in relation to the administration of the Company. The Constituencies are: <ul style="list-style-type: none"> • Large Retail Providers • Medium Retail Providers • Small Retail Providers • Business Focussed Providers • New Infrastructure Providers
Director	means a Director of the Company, and includes any person occupying the position of Director, by whatever name.
Document	includes, unless otherwise specified, any Document sent or supplied in physical or Electronic Form.
Electronic Form	has the meaning given in section 1168 of the Companies Act 2006.
Eligible Director	means a Director who would be entitled to vote on a particular matter at a meeting of Directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 15, any Director whose vote is not to be counted in respect of the particular matter).
Hub	means a hub consisting, among other things, of a mechanism for sending messages between Providers to support customer switching.
Independent Chair	means a person appointed to be the Chair of Directors at Company meetings, who is considered by the board of Directors to have the necessary independence of character, judgement and is free of any connections that may lead to a conflict of interest and is appointed in accordance with Article 3.
Independent Director	means a Director who is considered by the board of Directors to have the necessary independence of character, judgement and is free of any connections that may lead to a conflict of interest and is appointed in accordance with Article 3.
Interested Director	has the meaning given to it in Article 15.2.
Large Retail Provider	means a retail Provider with a total number of fixed broadband and/or voice telephony customers which is not less than a figure set by the Board from time to time (and in the absence of any such stipulation to be 2 million).
Medium Retail Provider	means a retail provider of fixed broadband and/or voice telephony services which is not a Large or Small Retail Provider.
Member	has the meaning given in section 112 of the Companies Act 2006.

New Infrastructure Provider	means a wholesale or retail Provider whose primary business in the fixed voice and broadband services market is to offer such services via its own new communications network. It will include, but not be limited to, providers that primarily serve customers using full fibre and fixed wireless connections.
Objects	means the delivery of fixed voice and broadband switching processes in the UK. In giving effect to the purposes or that purpose the Company must consider: <ul style="list-style-type: none"> (i) the need for Providers to comply with any relevant General Conditions set by Ofcom; (ii) the need for switching both <u>within</u> and <u>between</u> network platforms; (iii) the desirability of promoting an efficient switching process for business as well as residential users; and (iv) the interests of all hub users.
Online Videotelephony Service	means real-time audio-visual communication between or among end users operating over the Internet from providers including Zoom and Microsoft.
Ordinary Resolution	has the meaning given in section 282 of the Companies Act 2006.
Participate	in relation to a Directors' meeting, has the meaning given in Article 11.
Potential Hub User	any Provider who sells directly to end users, and wholesale Providers who might use the Hub to put orders in on behalf of one of their retailer customers, but not system integrators who might manage the Hub interface on behalf of a Provider.
Provider	Means a Communications Provider as defined in the Communications Act 2003 and may, as the context requires, refer to a: Large Retail Provider, Medium Retail Provider, Small Retail Provider, Business Focussed Provider or New Infrastructure Provider.
Proxy Notice	has the meaning given in Article 40.
Rules and Principles	means the supplementary documents, as determined by the Board from time to time, which set out the detailed rules about the operation of the Company and including but not limited to the: election rules, working group rules, operating rules, delegated authority and competition compliance policy.
Small Retail Provider	means a retail Provider with a total number of fixed broadband and/or voice telephony customers not exceeding a total set by the Board from time to time (and in the absence of any such stipulation to be 100,000).
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.

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.
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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

- 2.1 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 it being wound up while they are a Member or within one year after they cease to be a Member, for—
- 2.1.1 payment of the Company’s debts and liabilities contracted before they cease to be a Member;
 - 2.1.2 payment of the costs, charges and expenses of winding up; and
 - 2.1.3 adjustment of the rights of the contributories among themselves.

DIRECTORS

Composition and appointment of the Board of Directors

3. THE DIRECTORS

- 3.1 The number of Directors (other than Alternate Directors) shall not exceed nine natural persons.
- 3.2 The composition of the board of Directors shall be as follows:
- 3.2.1 Two Directors appointed by the Large Retail Providers Constituency;
 - 3.2.2 One Director appointed by the Medium Retail Providers Constituency;
 - 3.2.3 One Director appointed by the Small Retail Providers Constituency;
 - 3.2.4 One Director appointed by the Business Focussed Providers Constituency;
 - 3.2.5 One Director appointed by the New Infrastructure Providers Constituency; (each a “Constituency Director”)
 - 3.2.6 Two Independent Directors to be appointed by the board of Directors; and
 - 3.2.7 One Independent Chair to be appointed by the board of Directors.
- 3.3 A vacancy in respect of any of the directorships listed above does not stop the Board continuing to carry on its business.
- 3.4 The process for appointing Constituency Directors is as follows:
- 3.4.1 Where there is a vacancy for a Constituency Director, the Company Secretary must take steps as soon as reasonably practicable to initiate an election by which the Members in that Constituency appoint a Director to that vacancy.

- 3.4.2 The process for that election is to be set by the Board (or, if the Board has not done so, the Company Secretary) but must comply with the following rubric:
 - 3.4.2.1 The vacancy must be advertised to the Members in the relevant Constituency and notified to the Board;
 - 3.4.2.2 The process by which aspiring Directors for that Constituency may put themselves forward must be specified (and may include a requirement that the aspiring Director include specified documentation in their application);
 - 3.4.2.3 The process must allow an opportunity for aspiring Directors to publish a manifesto to the Members in the relevant Constituency and may allow for hustings;
 - 3.4.2.4 Only Members in the Constituency for which there is a vacancy may vote;
 - 3.4.2.5 Each Member in the Constituency concerned shall have one vote;
 - 3.4.2.6 In the absence of a clear reason to the contrary, the election should use a single transferable vote or alternative vote (or similar) system rather than first-past-the-post.
 - 3.4.2.7 There need be no election if there is only one candidate; that person is deemed appointed as if elected.
- 3.4.3 There shall be no general right for Members to appoint or disappoint Directors by Ordinary or other resolution;
- 3.5 Where a vacancy arises for a Constituency Director and 90% or more of the Members of that Constituency agree, they may notify the Company Secretary of a temporary replacement to be that Constituency Director in the interim before an election.
- 3.6 A Director appointed pursuant to Article 3.4 serves a first term for 3 years and in reasonable time before that period expires:
 - 3.6.1 The Company Secretary must advertise to the Members (for which purpose publication on the Company's website shall suffice) that their first term is coming to an end; and
 - 3.6.2 In those circumstances a Member may require there to be an election in accordance with Article 3.2 by notice within a specified time (in which case there must be an election in accordance with that Article);
 - 3.6.3 If there is no such notice, the Director may continue for another 3 year term (second term).
- 3.7 After a second term, a Director ceases to be a Director unless their term is extended under Article 3.8.
- 3.8 The Directors may extend a Director's term once, by up to nine months if they reasonably consider it is necessary to ensure stability in the management of the Company.

- 3.9 Where there is a vacancy for an Independent Director or the Independent Chair, the remaining Directors must take steps to fill that vacancy as soon as is reasonable in the circumstances.
- 3.10 The Directors may decide that a Director who was in office before the adoption of this version of the Articles is a Constituency Director for a particular Constituency and this shall be effective as if that person was elected as that Constituency Director under Article 3.2.

Directors' powers and responsibilities

4. DIRECTORS' GENERAL AUTHORITY

- 4.1 The Directors are responsible for the management of the Company's business in accordance with its Objects for which purpose (and for related and ancillary matters) they may exercise all the powers of the Company.

5. DIRECTORS' RESPONSIBILITIES

- 5.1 The board of Directors shall be responsible for setting the level for the Annual Membership Fee as set out in the Company Rules and Principles.
- 5.2 The Directors shall be responsible for overseeing the preparation of the Rules and Principles, approved by majority decision in accordance with Article 8.1 below and distributed to Members by the Directors.
- 5.3 Regardless of the Constituency that Directors are appointed from, they shall at all times act in a manner which furthers the Objects of the Company.

6. DIRECTORS MAY DELEGATE

- 6.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles—
- 6.1.1 to such person, committee or working group;
 - 6.1.2 by such means (including by power of attorney);
 - 6.1.3 to such an extent;
 - 6.1.4 in relation to such matters or territories; and
 - 6.1.5 on such terms and conditions;
- as they think fit.
- 6.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 6.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

7. COMMITTEES AND WORKING GROUPS

- 7.1 Committees and working groups 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.

- 7.2 The Directors may make rules of procedure for all or any committees or working groups, which prevail over rules derived from the Articles if they are not consistent with them.

Decision-making by Directors

8. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 8.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a Directors' meeting or by Written Resolution (as defined in Article 9.2) by all Eligible Directors in accordance with Article 9.
- 8.2 The exception to the general rule is that a decision:
- 8.2.1 to suspend, terminate or expel a Member; or
 - 8.2.2 to stipulate the customer numbers which determine whether a Provider is a Large, Medium or Small Retail Provider (i.e. the values in the definitions of Large and Small Retail Provider in Article 1),
- must be by two thirds majority.

9. UNANIMOUS DECISIONS

- 9.1 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.
- 9.2 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.
- 9.3 References in this Article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.
- 9.4 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.

10. CALLING A DIRECTORS' MEETING

- 10.1 Any Director may call a Directors' meeting by giving no less than fourteen days' notice of the meeting to the Directors or by authorising the Company Secretary (if any) to give such notice.
- 10.2 Notice of any Directors' meeting must indicate—
- 10.2.1 its proposed date and time;
 - 10.2.2 where it is to take place; and
 - 10.2.3 how it is proposed that they should communicate with each other during the meeting (and the notice shall not be valid unless some reasonable means of Participating remotely is available).

- 10.3 Notice of a Directors' meeting must be given to each Director and to each Alternate Director in writing.
- 10.4 In an urgent case, short notice may be given by the Company Secretary in receipt of a mandate in Writing from two thirds (or more) of Directors. In such a case the Company Secretary must take all reasonable steps to ensure that all Directors and their Alternates are notified.

11. PARTICIPATION IN DIRECTORS' MEETINGS

- 11.1 Subject to the Articles, Directors Participate in a Directors' meeting, or part of a Directors' meeting, when—
- 11.1.1 the meeting has been called and takes place in accordance with the Articles;
and
- 11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting (but for the avoidance of doubt this shall not prevent the Chair of the meeting guillotining discussion and moving to a vote as long as Directors are given a reasonable opportunity to speak).
- 11.2 In determining whether Directors are Participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 11.3 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.
- 11.4 For the avoidance of doubt, some or all of the Directors Participating in a Directors' meeting may attend by means of an Online Videotelephony Service nominated by the Company Secretary for the purpose.

12. QUORUM FOR DIRECTORS' MEETINGS

- 12.1 At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for the transaction of business at a Directors' meeting is two thirds of Eligible Directors including any Alternate Director attending in place of a Director.

13. CHAIRING OF DIRECTORS' MEETINGS

- 13.1 The Chair of a Directors' meeting will normally be the Independent Chair.
- 13.2 If the Independent Chair is not available, the Directors may appoint a Director to chair the meeting.
- 13.3 The person so appointed for the time being is known as the Chair.
- 13.4 The Directors may terminate the Chair's appointment at any time.

14. CASTING VOTE

- 14.1 If the numbers of votes for and against a proposal at a meeting of Directors are equal, the Chair or other Director chairing the meeting shall be entitled to a further or casting vote.

14.2 Article 14.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the Director is not an Eligible Director for the purposes of that meeting (or part of a meeting).

14.3 Article 14.1 applies only to the Independent Chair or an Independent Director.

15. DIRECTORS' CONFLICTS OF INTEREST

15.1 Where a Director has a Conflict in respect of an actual or proposed transaction or arrangement with a company, he or she must declare it to the Independent Chair (or where the Independent Chair has the conflict, to the other Directors). That Director may not participate in the Company's business in relation to the conflict (and is not to be counted towards the quorum or for voting purposes in respect of that matter) unless authorised by this Article. However, his or her Alternate may attend and participate as a Director for the item in respect of which there is a conflict.

15.2 The Directors may authorise a Conflict or a possible Conflict in accordance with the terms of this Article. For the avoidance of doubt:

15.2.1 Where a Conflict is authorised by the Directors in accordance with the requirements set out in this Article, this will authorise any Conflict proposed to them by any Director which would, if not authorised, involve a Director (an "Interested Director") breaching his duty to avoid conflicts of interest under section 175 of the Companies Act 2006;

15.2.2 Where a Director has a Conflict in respect of an actual or proposed transaction or arrangement with a company which is a Member, and the Conflict arises as a result of that Director's employment by that Member, the Conflict must still be declared but is deemed automatically authorised until the Board decides otherwise.

15.3 Any authorisation under this Article 15 shall be effective only if:

15.3.1 To the extent permitted by the Companies Act 2006, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles, or in such a manner as the Directors may determine;

15.3.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

15.3.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

15.4 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently):

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

15.4.2 provide that the Interested Director be excluded from the receipt of documents and information and the Participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;

- 15.4.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
- 15.4.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
- 15.4.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- 15.4.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 15.5 Where the Directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 15.6 The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 15.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in Directors meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 15.8 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006 and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Act 2006 and Article 15.1, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 15.8.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 15.8.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 15.8.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or Participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

15.8.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

15.8.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

15.8.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Companies Act 2006)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

15.9 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

16. RECORDS OF DECISIONS TO BE KEPT

16.1 The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

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

17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

17.1 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.

18. TERMINATION OF DIRECTOR'S APPOINTMENT

18.1 A person ceases to be a Director as soon as—

18.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006 (noting that section 168 of that Act is to be read in the light of Article 18.2 below) or is prohibited from being a Director by law;

18.1.2 a Bankruptcy order is made against that person;

18.1.3 in the case of a Director employed by an industry participant, a where he or she ceases to be a so employed or where the employer has exited the market;

18.1.4 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; and

18.1.5 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.

18.2 In respect of a Constituency Director: the Members of that Director's Constituency (and only those Members) may remove that Director by Ordinary Resolution (and, for the avoidance of doubt, the class of Members entitled to vote on an Ordinary Resolution under section 168 of the Companies Act 2006 (or this Article) in respect of the removal of a Constituency Director shall be only the Members of that Director's Constituency).

18.3 the Members may remove a Director by All-Constituencies Resolution.

18.4 Where a Directors' appointment ceases and that Director has not been replaced, his or her Alternate shall act as a Director in any interim period.

19. DIRECTORS' REMUNERATION

19.1 Directors may undertake any services for the Company that the Directors decide.

19.2 Independent Directors are entitled to such remuneration as the Directors determine—

19.2.1 for their services to the Company as Directors; and

19.2.2 for any other service which they undertake for the Company.

19.3 Subject to the Articles, an Independent Director's remuneration may—

19.3.1 take any form; and

19.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

19.4 Unless the Directors decide otherwise, Independent Directors' remuneration accrues from day to day.

19.5 Unless the Directors decide otherwise, Independent Directors are not accountable to the Company for any remuneration which they receive as Independent Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

20. DIRECTORS' EXPENSES

20.1 The Company may pay any reasonable expenses which the Directors, including Alternate Directors and the Company Secretary (if any) properly incur in connection with their attendance at—

20.1.1 meetings of Directors or committees of Directors;

20.1.2 general meetings; or

20.1.3 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

21. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 21.1 Any Director (other than an Alternate Director) (the “Appointor”) may appoint as an alternate by giving notice, no more than two other persons from within its relevant Constituency to—
- 21.1.1 exercise that Director’s powers, and
 - 21.1.2 carry out that Director’s responsibilities,
- in relation to the taking of decisions by the Directors in the absence of the Appointer.
- 21.2 The notice must:
- 21.2.1 identify the proposed Alternate; and
 - 21.2.2 in the case of a notice of an appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Appointor and comply with the relevant Rules and Principles.
- 21.3 Where the Appointor has appointed two Alternates, they must be designated “First” and “Second” by the Appointor; if this is not done, the Board may decide which is which. The “Second” Alternate may only act in a case where neither the Appointor nor the First Alternate is available.

22. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 22.1 An Alternate Director may not act as Alternate Director to more than one Director and a Director may not act as an Alternative Director.
- 22.2 Where a Director is unable to Participate in the taking of a Decision, an Alternate Director has the same rights in relation to any decision of the Directors as the Appointer.
- 22.3 An Appointor’s Alternate at Directors’ meetings must not attend more than one quarter of Director’s meetings in any twelve-month rolling period (except where the Alternate Director is attending for the interim period where a Director’s appointment has been terminated in accordance with Article 18).
- 22.4 A Constituency Director may not appoint an Alternate Director who is a Member or an employee of a Member in a different Constituency.
- 22.5 Except as the Articles specify otherwise, Alternate Directors acting where their Appointor is not available —
- 22.5.1 are deemed for all purposes to be Directors;
 - 22.5.2 liable for their own acts and omissions;
 - 22.5.3 are subject to the same restrictions as their Appointors; and
 - 22.5.4 are not deemed to be agents of or for their Appointors.
- and, in particular (without limitation), each Alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a Member.
- 22.6 A person who is an Alternate Director but not a Director—

22.6.1 may be counted as Participating for the purposes of determining whether a quorum is participating (but only if that Director's Appointor is not Participating), and

22.6.2 may sign a Written Resolution (but only if it is not signed or to be signed by that Director's Appointor).

23. TERMINATION / CONTINUATION OF AN ALTERNATE DIRECTORSHIP

23.1 An Alternate Director's appointment as an Alternate Director terminates:

23.1.1 when the Alternate Director's Appointor revokes the appointment by at least four weeks' notice to the Company in Writing specifying when it is to terminate; or

23.1.2 on the occurrence, in relation to the Alternate Director, of any event which, if it occurred in relation to the Alternate Director's Appointor, would result in the termination of the Appointor's appointment as a Director.

23.2 When an Appointor's directorship ends for any reason, the Appointor's First Alternate shall act in their place until a new Director is appointed under Article 3; if the First Alternate is not willing or available, the Second Alternate shall act in this capacity. Once the new Director is appointed, the initial Appointor's Alternate Directors shall continue with their Appointment, until:

23.2.1 the newly elected Director chooses to appoint their own Alternate Directors in accordance with Article 21, at which point the initial Appointors Alternate Directors appointments shall be terminated immediately upon the appointment of the newly elected Directors appointed Alternate Directors.

MEMBERS

24. MEMBERS AND THEIR CONSTITUENCIES

24.1 To qualify to be a Member, a person must be a Provider which intends to use the Hub.

24.2 Each Member must fall into one of the Constituencies.

24.3 The Board may issue guidance to provide further details about the qualifying criteria for membership of each Constituency (which may supplement and elucidate the definitions in Article 1 above).

24.4 No Member may be a member of more than one Constituency (even if it meets the criteria for more than one).

24.5 The process by which a Member's Constituency is to be determined is as follows:

24.5.1 In its application for Membership, a Provider must identify the Constituency which it considers matches its business most closely;

24.5.2 If it qualifies as a New Infrastructure Provider or a Business-Focussed Provider it must identify into that constituency (and not as Small, Medium or Large Provider); and

24.5.3 The Board may, acting reasonably, determine whether that identification is correct and may (at any time) allocate the Member to the Constituency it considers most appropriate.

25. MEMBERS' POWERS AND RESPONSIBILITIES

25.1 The following Articles may not be amended unless there has been an All-Constituencies Resolution to that effect (preceding any Special Resolution under section 21 of the Companies Act 2006) and are entrenched Articles for the purposes of section 22 of the Companies Act 2006:

25.1.1 Article 1;

25.1.2 Articles 3 to 43; and

25.1.3 Articles 45 to 47.

25.2 The Board must provide a reasonable level of management information to Members on a regular basis.

25.3 Members are to pay the nominal Annual Membership Fee at the level specified in the Rules and Principles as set out in Article 6.1.

Becoming and ceasing to be a Member

26. APPLICATIONS FOR MEMBERSHIP

26.1 Only an organisation (including a sole trader) which falls into one of the Constituencies is eligible to apply for Membership.

26.2 No person may become a Member of the Company unless—

26.2.1 that person has submitted to the Company Secretary an application for membership in a form approved by the Directors; and

26.2.1.1 that person is a Potential Hub User; and

26.2.1.2 that person has self-selected to one Constituency in accordance with the self-selection criteria set out in the Rules and Principles; and

26.2.1.3 it has nominated an authorised representative.

26.3 Following a submitted application to the Company Secretary, the Company Secretary will publish the application on a register. Members will be given the opportunity to raise any objections to the application. In deciding the application, the Board must take account of any objection which is not vexatious or frivolous.

26.4 A person is not eligible for Membership if one of its Affiliates is already a Member except where:

26.4.1 It can demonstrate to the satisfaction of the Board that its Affiliate is managed on a fully arms-length basis; and

26.4.2 The Board is satisfied that there is no material risk that the governance of the Company might be adversely affected; and

26.4.3 Neither the person concerned or its Affiliate is a Large Retail Provider

in which case the Directors may allow an exception.

26.5 The Company may refuse any application for membership where:

26.5.1 The Application does not comply with Article 26.2;

26.5.2 The person applying is not eligible to apply (in the terms of Article 26.1); or

26.5.3 The Board has another good reason for refusing it.

26.6 Members are bound to observe the Articles and the Rules and Principles.

26.7 Members shall have the right to Participate in General Meetings after 3 months of being a Member.

27. TERMINATION OF MEMBERSHIP

27.1 A Member may withdraw from membership of the company by giving 3 months' notice to the company in Writing.

27.2 Membership is not transferable save in the event of amalgamation or reconstruction of a Member which is a body corporate, in which case the relevant membership shall only be transferable provided the Member's successor conforms with the requirement for membership of the Company in force from time to time and its membership is approved by the Directors.

27.3 A person's membership terminates when that person dies or ceases to exist.

27.4 Where two Members are or become Affiliates one of them must withdraw (unless the Board has granted an exception in accordance with Article 26.4). If they cannot agree within a reasonable time which is to withdraw, the Directors may terminate the membership of one or both.

27.5 A person whose membership was added to the register of members before the adoption of these Articles may terminate their membership with immediate effect by notifying the Company Secretary.

28. SUSPENSION OF MEMBERSHIP

28.1 Directors may by notice in Writing and in accordance with Article 9, suspend a Member for three months if the Member:

28.1.1 fails to observe the Articles or any of the Rules and Principles made by the board of Directors; or

28.1.2 Defaults in the payment of nominal Annual Membership Fees or any monies due to the Company; or

28.1.3 dies; or

28.1.4 becomes bankrupt or compounds with creditors; or

28.1.5 ceases to be a Hub user or a Potential Hub User; or

28.1.6 Is dissolved or becomes bankrupt or enters into liquidation or receivership for any purpose other than a solvent amalgamation or reconstruction or has a receiving order against it.

28.2 Suspension of a member will be for a maximum of three months. During that time the suspended Member will be given the opportunity to resolve the breaches listed in Articles 28.1 above. Should the breaches not be resolved within three months the Directors will have the right to terminate the membership.

28.3 A Member may upon receiving a notice in Writing appeal the decision in Writing within 14 Business Days. The appeal shall be to the board of Directors but either side may require the decision to be appealed to the next general meeting of the Company, whose decision (by Ordinary Resolution) shall be final.

29. EXPULSION OF A MEMBER

29.1 The Directors may terminate the Membership of any Member without its consent by giving the Member notice in Writing if, in the reasonable opinion of the Directors, the Member:

29.1.1 is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and Directors into disrepute; or

29.1.2 has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or

29.1.3 has failed to observe the terms of these Articles and the Rules and Principles.

29.2 Following such termination, the Member shall be removed from the register of Members by the Company Secretary.

29.3 The notice to the Member must give the Member the opportunity to be heard in Writing or in person as to why his membership should not be terminated. The Directors must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the Directors to terminate the Membership of a Member.

29.4 A Member whose Membership is terminated under this Article shall not be entitled to a refund of any subscription or membership fee and shall remain liable to pay to the Company any subscription or other sum owed by him.

General Meetings

30. ANNUAL GENERAL MEETINGS

30.1 The Company may hold an annual general meeting each year, with not more than 15 months elapsing between successive annual general meetings.

30.2 Each notice calling an annual general meeting shall specify the meeting as such and each annual general meeting shall take place at such time and place as the Directors think fit.

30.3 The business at an annual general meeting must include:

30.3.1 The consideration of the accounts, balance sheets, reports of the Directors and auditors.

30.3.2 The retirement, appointment of Directors in accordance with the Articles.

30.3.3 Members must be provided with all necessary documents and information a reasonable time prior to the commencement of the annual general meeting.

30.3.4 A management report to include a review of operational performance, compliance, membership and other matters.

31. NOTICE OF GENERAL MEETINGS

31.1 General meetings and annual general meetings, and Constituency-only meetings are to be called on a minimum of fourteen days' notice.

31.2 Subject to Article 26.7 (right to participation), a general meeting and Constituency-only meeting may be called on shorter notice if it is so agreed a majority in numbers of the Members having the right to attend and vote at the meeting.

31.3 The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted. It shall also include a statement setting out the rights of Members to appoint proxies.

31.4 The notice shall be given to:

31.4.1 Each Member (or Member of the Constituency (as the case may be));

31.4.2 Each Director; and

31.4.3 The auditor

Organisation of general meetings

32. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

32.1 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.

32.2 A person is able to exercise the right to vote at a general meeting when—

32.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

32.2.2 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.

32.3 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.

32.4 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.

32.5 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.

32.6 For the avoidance of doubt Members may attend a general meeting by means of an Online Videotelephony Service nominated by the Company Secretary for the purpose subject to the other terms of this Article.

33. QUORUM FOR GENERAL MEETINGS

33.1 The quorum for General Meetings is one Member from each and every Constituency.

33.2 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.

34. CHAIRING GENERAL MEETINGS

34.1 If the Directors have appointed an Independent Chair, the Independent Chair shall chair general meetings if present and willing to do so.

34.2 Otherwise, or if the Independent Chair is not present within ten minutes of the time at which a meeting was due to start—

34.2.1 the Directors present; or

34.2.2 (if no Directors are present), the meeting participants, must appoint a Director or Member to chair the meeting, and the appointment of the Chair of the Meeting must be the first business of the meeting.

34.3 The person chairing a meeting in accordance with this article is referred to as “the Chair of the Meeting”.

35. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

35.1 Directors may attend and speak at general meetings, whether or not they are Members.

35.2 The Chair of the Meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

36. ADJOURNMENT

36.1 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 Chair of the Meeting must adjourn it.

36.2 The Chair of the Meeting may adjourn a general meeting at which a quorum is present if—

36.2.1 the meeting consents to an adjournment; or

36.2.2 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.

36.3 The Chair of the Meeting must adjourn a general meeting if directed to do so by the meeting.

36.4 When adjourning a general meeting, the Chair of the Meeting must—

- 36.4.1 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
- 36.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 36.5 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)—
 - 36.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 36.5.2 containing the same information which such notice is required to contain.
- 36.6 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

37. VOTING: GENERAL

- 37.1 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.
- 37.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Companies Act 2006) present and entitled to vote at the meeting.

38. ERRORS AND DISPUTES

- 38.1 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.
- 38.2 Any such objection must be referred to the Chair of the Meeting whose decision is final.

39. POLL VOTES

- 39.1 A poll on a resolution may be demanded—
 - 39.1.1 in advance of the general meeting where it is to be put to the vote; or
 - 39.1.2 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.
- 39.2 A poll may be demanded by—
 - 39.2.1 the Chair of the Meeting;
 - 39.2.2 the Directors;
 - 39.2.3 two or more persons having the right to vote on the resolution; or

39.2.4 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.

39.3 A demand for a poll may be withdrawn if—

39.3.1 the poll has not yet been taken, and

39.3.2 the Chair of the Meeting consents to the withdrawal.

39.4 Polls must be taken immediately and in such manner as the Chair of the Meeting directs.

40. CONTENT OF PROXY NOTICES

40.1 Proxies may only validly be appointed Members who are natural persons. This is to be done by a notice in Writing (a "Proxy Notice") which—

40.1.1 states the name and address of the Member appointing the proxy;

40.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;

40.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

40.1.4 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.

40.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

40.3 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.

40.4 Unless a Proxy Notice indicates otherwise, it must be treated as—

40.4.1 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

40.4.2 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.

41. DELIVERY OF PROXY NOTICES

41.1 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.

41.2 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.

41.3 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.

41.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in Writing of the authority of the person who executed it to execute it on the appointor's behalf.

42. AMENDMENTS TO RESOLUTIONS

42.1 A resolution to be proposed at a general meeting may be amended by an All-Constituencies Resolution, if—

42.1.1 the Chair of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

42.1.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

42.2 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

43. MEANS OF COMMUNICATION TO BE USED

43.1 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.

43.2 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.

43.3 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.

44. COMPANY SEALS

44.1 Any common seal may only be used by the authority of the Directors.

44.2 The Directors may decide by what means and in what form any common seal is to be used.

44.3 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.

44.4 For the purposes of this Article, an authorised person is—

44.4.1 any Director of the Company;

44.4.2 the Company Secretary (if any); or

44.4.3 any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

45. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

45.1 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 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

46. INDEMNITY

46.1 Subject to paragraph (2), a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against—

46.1.1 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,

46.1.2 any liability incurred by that Director in connection with the Companies Act 2006 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),

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

46.2 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.

46.3 In this Article—

46.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and

46.3.2 a "relevant Director" means any Director or former Director of the Company or an associated company.

47. INSURANCE

47.1 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.

47.2 In this Article—

47.2.1 a "relevant Director" means any Director or former Director of the Company or an associated company;

47.2.2 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; and

47.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.