

**The Companies Act 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**IXICO PLC (the "Company")**

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**Adopted by special resolution passed on 7 December 2015, and amended by special  
resolution passed on 21 September 2018**

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**TABLE OF CONTENTS**

PRELIMINARY .....	1
INTERPRETATION .....	1
LIABILITY OF MEMBERS.....	3
SHARE CAPITAL .....	3
UNCERTIFICATED HOLDINGS.....	6
VARIATION OF RIGHTS .....	8
SHARE CERTIFICATES AND TITLE TO SHARES .....	9
CALLS ON SHARES .....	10
FORFEITURE AND LIEN .....	11
TRANSFER OF SHARES .....	12
TRANSMISSION OF SHARES .....	14
SALE OF SHARES BY COMPANY .....	15
DISCLOSURE OF INTERESTS IN SHARES.....	16
CHANGE OF NAME.....	17
GENERAL MEETINGS .....	17
NOTICE OF GENERAL MEETINGS.....	18
PROCEEDINGS AT GENERAL MEETINGS .....	19
VOTING.....	21
VOTES OF MEMBERS.....	23
PROXIES.....	24
CORPORATIONS ACTING BY REPRESENTATIVES .....	26
DIRECTORS .....	26
APPOINTMENT AND RETIREMENT OF DIRECTORS.....	28
ALTERNATE DIRECTORS .....	30
PROCEEDINGS OF DIRECTORS .....	31
DIRECTORS' CONFLICTS OF INTEREST .....	33

BORROWING POWERS .....	38
GENERAL POWERS OF DIRECTORS .....	40
SECRETARY .....	42
THE SEAL .....	43
AUTHENTICATION OF DOCUMENTS.....	43
DIVIDENDS .....	43
RESERVES .....	46
CAPITALISATION OF RESERVES .....	46
EXERCISE OF MEMBERS' RIGHTS.....	48
RECORD DATES .....	49
MINUTES AND BOOKS .....	49
ACCOUNTS.....	50
AUDITORS.....	51
NOTICES .....	51
WINDING UP .....	53
INDEMNITY AND INSURANCE.....	54
FRACTIONS.....	55

## PRELIMINARY

1. No regulations contained in any statute or subordinate legislation concerning companies, shall apply as the regulations or articles of the Company.

## INTERPRETATION

2. In these Articles (if not consistent with the subject or context):

The words standing in the first column of the table text hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

<b>“the 2006 Act”</b>	the Companies Act 2006;
<b>“the Acts”</b>	the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
<b>“these Articles”</b>	these articles of association as from time to time altered;
<b>“Associated”</b>	has the meaning ascribed to it in section 1261 of the 2006 Act;
<b>“dividend”</b>	dividend and/or bonus;
<b>“electronic address”</b>	a number or address used for the purposes of sending or receiving documents or information by electronic means;
<b>“electronic means”</b> and <b>“electronic form”</b>	have the meanings ascribed to them in section 1168 of the 2006 Act;
<b>“in writing”</b>	includes typewriting, printing, lithography, photography and any other method of representing or reproducing words in a legible and non-transitory form, whether sent or supplied in electronic form or made available on a website or otherwise;
<b>“month”</b>	calendar month;
<b>“Office”</b>	the registered office of the Company;
<b>“Operator”</b>	CRESTCO Limited or such other person as may from time to time be approved by HM Treasury as Operator under the Regulations;
<b>“Operator-instruction”</b>	a properly authenticated de-materialised instruction attributable to the Operator;
<b>“paid up”</b>	paid up or credited as paid up;
<b>“the Register”</b>	the register of members of the Company;

“the Regulations”	the Uncertificated Securities Regulations 2001 including any modification thereof or any regulations in substitution therefor for the time being in force;
“Seal”	the common seal of the Company;
“the Statutes”	the Acts, the Regulations and every other statute or enactment for the time being in force concerning companies and affecting the Company;
“the Stock Exchange”	the London Stock Exchange Limited;
“the United Kingdom”	Great Britain and Northern Ireland;
“year”	calendar year.

3. In these Articles, unless the context requires otherwise:

- (a) the expressions “**debenture**” and “**debenture-holder**” shall include “**debenture stock**” and “**debenture stockholder**”;
- (b) the expression “**Secretary**” shall include any person appointed by the Directors to perform any of the duties of the Secretary of the Company and where two or more persons are appointed to act as joint secretaries shall include any one of those persons;
- (c) an act which is expressed to require the sanction of or to be effected by an “**ordinary resolution**” may be sanctioned by or effected by a special resolution;
- (d) the expressions “**holding company**”, “**subsidiary**” and “**subsidiary undertaking**” shall have the meanings ascribed to them by the Acts;
- (e) references to a share (or a holding of shares) being in uncertificated form or in certificated form shall be references respectively to that share being an uncertificated unit of a security or a certificated unit of a security for the purposes of the Regulations;
- (f) an act which is expressed to require the sanction of or to be effected by an ordinary resolution may be sanctioned by or effected by a special resolution;
- (g) words importing the singular number shall include the plural and vice versa;
- (h) words importing the masculine gender shall include the feminine gender;
- (i) references to writing include references to any method of representing or reproducing words in a legible and non-transitory form;
- (j) save as aforesaid any words or expressions defined in the Statutes shall (if not consistent with the subject or context) bear the same meanings in these Articles but excluding any statutory modification thereof not in force at the

date of adoption of these Articles as the articles of association of the Company;

- (k) any reference in these Articles to any provision in any enactment shall where applicable be construed as a reference to the same as for the time being modified or re-enacted whether before or after the date thereof; and
- (l) the headings are inserted for convenience only and shall not affect the construction of these Articles.

#### LIABILITY OF MEMBERS

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

#### SHARE CAPITAL

- 5. The share capital of the Company shall consist of ordinary shares of 1 pence each and Deferred Shares ("**Deferred Shares**") of 49 pence each.
- 6. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued and subject to the provisions of the Statutes, any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, capital, transfer, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, failing any such determination, as the Directors may determine).
- 7. The following rights and restrictions shall be attached to the "Deferred Shares" being the Deferred Shares of 49 pence each having the rights set out in this Article 7:
  - (a) As regards income, the holders of the Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.
  - (b) As regards capital, on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption or purchase by the Company of any of its shares) the holders of the Deferred Shares shall be entitled to receive the amount of the nominal value only paid up on their shares after there shall have been distributed (in cash or in specie) to the holders of the ordinary shares the amount of £10,000,000 in respect of each ordinary share held by them respectively. For this purpose distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the directors or the Company in general meeting may approve. The Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.
  - (c) As regards voting, the holders of Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general

meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat.

- (d) As regards variation, the rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or *pari passu* with or subsequent to such shares. In addition neither:
- (i) the passing by the Company of any resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court; nor
  - (ii) the obtaining by the Company, nor the making by the Court, of any order confirming any such reduction of capital; nor
  - (iii) the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares,

and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction or approval on the part of the holders of the Deferred Shares.

- (e) As regards repurchase, notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1 for all such shares.
- (f) As regards transfer, the Company shall have irrevocable authority to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer/ cancellation of the Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.
- (g) As regards cancellation, the Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.
- (h) As regards certificates, notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the Deferred Shares.
8. Subject to the provisions of the Statutes, these Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of such shares to

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such persons, at such times and generally on such terms and conditions as the Directors may determine but so that no share shall be issued at a discount.

9. Subject to the provisions of the Statutes, the Company may issue any shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by these Articles, and the Directors may determine the terms, conditions and manner of redemption of any such share.
10. The Company may from time to time pass an ordinary resolution referring to this Article and authorising, in accordance with section 551 of the 2006 Act, the board to exercise all the powers of the Company to allot shares in the company or to grant rights to subscribe for or to convert any security into shares in the company and:
- (a) on the passing of the resolution the board shall be generally and unconditionally authorised to allot such shares or to grant such rights to subscribe for or to convert any security into shares up to the nominal amount specified in the resolution; and
  - (b) unless previously revoked the authority shall expire on the day specified in the resolution (not being more than five years after the date on which the resolution is passed),

but any authority given under this Article shall allow the Company, before the authority expires, to make an offer or agreement which would or might require shares to be allotted after it expires.

11. (a) Subject to the board being generally authorised to allot shares or grant rights to subscribe for or to convert any security into shares in accordance with section 551 of the 2006 Act, the Company may from time to time resolve, by a special resolution referring to this Article, that the board be given power to allot equity securities for cash and, on the passing of the resolution, the board shall have power to allot (pursuant to that authority) equity securities for cash as if section 561(1) of the 2006 Act did not apply to the allotment but that power shall be limited:
- (i) to the allotment of equity securities in connection with a rights issue; and
  - (ii) to the allotment other than in accordance with a rights issue of equity securities having a nominal amount not exceeding in aggregate the sum specified in the special resolution,

and unless previously revoked, that power shall (if so provided in the special resolution) expire on the date specified in the special resolution of the Company. The Company may before the power expires make an offer or agreement which would or might require equity securities to be allotted after it expires.

- (b) for the purposes of this Article:



- (i) **“equity security”** has the meaning given to that expression in section 560(1) of the 2006 Act; and
  - (ii) **“rights issue”** means an offer or issue to or in favour of holders of ordinary shares on the register on the date fixed by the board where the equity securities respectively attributable to the interests of all those holders are proportionate (as nearly as practicable) to the respective number of ordinary shares held by them on that date but the board may make such exclusions or other arrangements as the board considers expedient in relation to fractional entitlements or legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange.
12. Subject to the provisions of the Statutes and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being in issue the Company may, with the sanction of an ordinary resolution of the Company, purchase its own shares including any redeemable shares. The Directors are unconditionally authorised to exercise the power of the Company to purchase its own shares (including any redeemable shares) pursuant to these Articles.
13. No share in the Company (other than a share allotted in pursuance of an employees’ share scheme) may be allotted except as paid up in money or money’s worth at least as to one-quarter of the nominal value of the share and whole of any premium on it.
14. The Company may exercise the powers of paying commissions conferred by the Statutes. The Company may also on any issue of shares pay such brokerage as may be lawful.
15. Except as required by law, no person shall be recognised by the Company as holding any share upon trust, and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
16. The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder:
- (a) recognise a renunciation thereof by the allottee in favour of some other person and accord to any allottee of a share a right to effect such renunciation; and/or
  - (b) allow the rights represented thereby to be one or more participating securities;
- in each case upon and subject to such terms and conditions as the Directors may think fit to impose.

#### **UNCERTIFICATED HOLDINGS**

17. Subject to the Statutes the Board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security.

18. The provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such Articles are inconsistent with:
  - (a) the holding of shares of that class in uncertificated form;
  - (b) the transfer of title to shares of that class by means of a relevant system; or
  - (c) any provision of the Regulations.
19. Any share of a class which is a participating security may be changed from an uncertificated share to a certificated share and from a certificated share to an uncertificated share in accordance with the Regulations.
20. For the purpose of effecting any actions by the Company, the Directors may determine that holdings of the same member in uncertificated form and in certificated form shall be treated as separate holdings.
21. In relation to shares which are in uncertificated form, any provisions of these Articles enabling a person to be appointed to execute an instrument of transfer shall have effect of enabling that person to be appointed to authorise the giving of a relevant properly authenticated dematerialised instruction (not being inconsistent with the provisions in question) as may be required for the disposal of the share in question in accordance with the terms of his appointment.
22. Where the Company is entitled under the Statutes, the Regulations and the rules, procedures or practices of any relevant system or under these Articles to dispose of, forfeit, accept the surrender of, enforce a lien over, re-allot or sell, transfer or otherwise procure the sale of any shares which are held in uncertificated form, the Directors shall have the power (subject to the Statutes, the Regulations and the rules, procedures or practices of the relevant system) to take such steps as the Directors consider appropriate, by instruction by means of a relevant system or otherwise, to effect such disposal, forfeiture, surrender, enforcement, re-allotment sale or transfer and such powers shall (subject as aforesaid) include the right to:
  - (a) request or require the deletion of any computer based entries in the relevant system relating to the holding of such shares in uncertificated form; and/or
  - (b) alter such computer based entries so as to divest the registered holder of such shares of the power to transfer such shares to a person other than the transferee, purchaser or his nominee identified by the Company for this purpose; and/or
  - (c) require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice to the holder concerned, to convert his holding of such uncertificated shares into certificated form within such period as may be specified in the notice prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps as may be necessary to sell or transfer such shares; and/or
  - (d) otherwise rectify or change the Register in respect of any such shares in such manner as the Directors consider appropriate (including, without limitation, by

entering the name of the transferee into the Register as the next holder of such shares); and/or

- (e) appoint any person to take such steps in the name of the holder of such shares as may be required to effect the conversion and/or transfer of such shares and such steps shall be effective as if they had been taken by the registered holder of the uncertificated shares concerned.

- 23. The Company shall not issue to any person a certificate in respect of an uncertificated share.

#### **VARIATION OF RIGHTS**

- 24. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal amount of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up. Subject to the provisions of the Statutes, all the provisions of these Articles as for the time being in force relating to general meetings of the Company and to the proceedings thereat shall apply *mutatis mutandis* to every such separate general meeting, except that:

- (a) the necessary quorum (other than at any adjourned meeting) shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class, and at an adjourned meeting shall be one person holding shares of the class in question or his proxy;
- (b) any holder of shares of the class present in person or by proxy may demand a poll;
- (c) any holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him; and
- (d) a Director shall be entitled to notice thereof and to attend and speak thereat.

- 25. Article 16 shall apply to the variation or abrogation of the special rights attached to some only of the shares of such class as if the shares concerned and the remaining shares of such class formed separate classes, or to any scheme for the distribution (though not in accordance with legal rights) of any assets in money or in kind in or before liquidation, or to any contract for the sale or disposal of the whole or any part of the Company's property or business determining the way in which as between the several classes of the shareholders the purchase considerations shall be distributed, and generally to any alteration, contract, compromise or arrangement which the persons voting thereon could, if *sui juris* and holding all the shares or the class, consent to or enter into, and such resolution shall be binding upon all holders of shares of the class.

- 26. Save as otherwise provided in these Articles, the special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the

terms of issue thereof be deemed to be varied or abrogated by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company or voting in some or all respects *pari passu* therewith but in no respect in priority thereto, or by any reduction of the capital paid up thereon, or by any purchase by the Company of its own shares.

### **SHARE CERTIFICATES AND TITLE TO SHARES**

27. Title to any share may be evidenced otherwise than by a definitive share certificate in accordance with the Statutes or any subordinate legislation made from time to time under the Statutes and the Directors shall have power to implement any agreements they think fit for such evidencing which accord with the Statutes or such subordinate legislation. The Company shall enter on the Register, in respect of all shares registered in the name of each holder, how many of such shares are in certificated form and uncertificated form respectively.
28. Every person whose name is entered as a member in the Register in respect of any shares of any class in certificated form (except a person in respect of whom the Company is not by law required to issue a share certificate) shall be entitled without payment to a certificate therefore, upon the issue thereof within one month after allotment (or such other period as the terms of issue shall provide), and upon the transfer thereof in the case of fully paid shares within one month after lodgement of transfer and in the case of partly paid shares within two months after lodgement of transfer and in the case of conversion thereof from uncertificated to certificated form within two months of the date of conversion. The Company shall not be bound to register more than four persons as the joint holders of a share and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefore and delivery of a certificate to any one of such persons shall be sufficient delivery to all.
29. Every definitive certificate for shares shall be issued under the Seal (or any official seal kept under section 50(1) of the 2006 Act or, in the case of shares on a branch register, an official seal for use in the relevant territory). Every such certificate shall specify the number and class of share to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.
30. Where a member transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
31.
  - (a) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu upon payment of such charge as the Directors may from time to time determine.
  - (b) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as may be specified, the Directors may, if they think fit, comply with such request upon payment of such charge as the Directors may from time to time determine.

- (c) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and (in either case) the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit. Subject as aforesaid no change will be made for a new share certificate issued to replace one that has been damaged, lost or destroyed.

In the case of shares held jointly by several persons any such request may be made by any one of the joint holders except where the certificate is alleged to be lost, stolen or destroyed.

### **CALLS ON SHARES**

32. The Directors may from time to time make calls upon the members in respect of any monies unpaid on their shares and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to or as directed by the Company at the time or times and place so specified the amount called on his shares. A call may be wholly or in part revoked or postponed as the Directors may determine.
33. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. A call may be postponed and may be wholly or in part revoked as the Directors may determine.
34. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A person upon whom a call is made shall remain liable for calls made upon him, notwithstanding the subsequent transfer of the shares on which the call was made.
35. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty percent per annum) as the Directors determine, together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses wholly or in part.
36. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at a fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
37. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

38. The Directors may if they think fit receive from any member willing to advance the same all or any part of the monies (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of call shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the money received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate as the member paying such sum and the Directors agree upon but any such advance payment shall not entitle the holder of the share to participate in respect of such amount in any dividend.

#### FORFEITURE AND LIEN

39. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest and expenses which may have accrued or been incurred.
40. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by notice is to be made, and shall state that in the event of non-payment in accordance herewith the shares on which the call was made will be liable to be forfeited.
41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared and other monies payable in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited.
42. Subject to the provisions of the Statutes a share so forfeited or surrendered shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors think fit, and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid. Any share not disposed of in accordance with this Article within a period of three years from the date of its forfeiture or surrender shall, at the expiry of that period, be cancelled in accordance with the Statutes.
43. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay the Company all monies which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at twenty per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but the Directors may waive payment of such interest either wholly or in part. The Directors may enforce payment, without any allowance for the value of the shares at the time of forfeiture or surrender.

44. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies payable (whether presently or not) in respect of such share. The Company's lien on a share shall extend to all dividends or other monies payable thereon or in respect thereof. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.
45. Subject to the provisions of the Statutes, the Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless the period for payment or discharge of some part at least of the debt or liability in which the lien exists shall have actually arrived nor until the expiration of fourteen days after a notice in writing stating and demanding payment or discharge thereof and giving notice of intention to sell in default have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
46. The net proceeds of such sale after payment of the cost of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debts or liabilities the period for the payment or discharge of which has not actually arrived as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.
47. A statutory declaration in writing that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to forfeiture, surrender, sale, re-allotment or disposal of the share.

#### **TRANSFER OF SHARES**

48. Transfers of shares in certificated form may be effected by transfers in writing in any usual or common form or in any other form acceptable to the Directors any may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.
49. Shares in uncertificated form may be transferred otherwise than by a written instrument in accordance with the Statutes or any subordinate legislation made from time to time under the Statutes and the Directors shall have power to implement any arrangements they think fit for such transfer which accord with the Statutes or such subordinate legislation.

50. The Directors may in their absolute discretion decline to register any transfer in favour of more than four persons jointly and any transfer which is in respect of more than one class of share. The Directors may decline to register any transfer of shares which are not fully paid providing that dealings in such shares are not prevented from taking place on an open and proper basis.
51. The Directors may decline to recognise any instrument of transfer (whether fully paid or not):
- (a) in certificated form unless the instrument of transfer is deposited at the Office, duly stamped, accompanied by the relevant share certificate(s) (except where no certificate shall have been issued therefor) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do; and
  - (b) in uncertificated form in the circumstances set out in the Statutes.
52. If the Directors refuse to register a transfer they shall within two months after the date on which:
- (a) the transfer was lodged with or notified to the Company (in the case of shares held in certificated form) or:
  - (b) the Operator-instruction was received by the Company (in the case of shares held in uncertificated form),
- send the transferee notice of the refusal, together with reasons for its refusal and (in the case of shares held in certificated form) the instrument of transfer.
53. Subject to the Regulations, all instruments of transfer which are registered may be retained by the Company; and subject to the Regulations, the Company shall be entitled to destroy:
- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof;
  - (b) all dividend mandates and modifications of change of address at any time after the expiration of two years from the date of recording thereof;
  - (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof;
  - (d) all appointments of proxy which have been used for the purposes of a poll, at any time after the expiration of one year from the date of such use, and all appointments of proxy which have not been used for the purposes of a poll, at any time after one month from the end of the meeting to which the appointments of proxy relates and at which no poll was demanded; and
  - (e) any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it,



and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

The Company may destroy any such type of document after such shorter period as the Directors may determine if a copy of such document is retained on microfilm or other means of storage of documents which shall not be destroyed before the expiration of the relevant period and provided that adequate precautions against falsification and to share reproduction are taken. For the purposes of this Article 53, all references to documents shall include documents stored in electronic form.

54. Article 53 applies only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant and nothing in Article 53 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of Article 53.
55. References herein to the destruction of any document include references to the disposal thereof in any manner.
56. No fee will be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

### **TRANSMISSION OF SHARES**

57. In the case of the death of a shareholder the survivors or survivor where the deceased was a joint holder and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.
58. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or of his becoming a patient within the meaning of the Mental Health Act 1983 (or the equivalent of bankruptcy or of becoming such patient under the laws of any competent jurisdiction) may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either require to be registered himself as a holder of the shares by giving to the Company notice in writing to that effect or transfer such share to some other person (in any case in the event of the share being in uncertificated form subject always to the Regulations). All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the event giving rise

thereto had not occurred and the notice or transfer were a transfer executed by such member.

59. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (or the equivalent of bankruptcy under the laws of any competent jurisdiction) shall upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share, but he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the above share. Provided always that the Directors may at any time give notice requiring such person to elect either to be registered himself or to transfer the share, and if within sixty days the notice is not complied with, such person (but only in the case of a share which is fully paid up) shall be deemed to have elected to be registered as a member in respect thereof and the Directors may cause him to be registered accordingly. Where two or more persons are jointly entitled by transmission to a share they shall for the purposes of these Articles be treated as if they were joint holders of such share registered in the order in which their names have been supplied to the Company or such other order as the person requiring to be registered may by notice in writing to the Company have prescribed at the time.

#### **SALE OF SHARES BY COMPANY**

60. The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:
- (a) for a period of twelve years during which at least three dividends have been paid by the Company no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member or to the person entitled by transmission to the share at his address on the Register or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and so far as any Director of the Company at the end of such period is then aware no communication has been received by the Company from the member or the person entitled by transmission; and
  - (b) the Company has at the expiration of the said period of twelve years by advertisement in a daily national newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (a) of this Article is located giving notice of its intention to sell such share; and
  - (c) the Company has not during the further period of three months after the date of publication of the advertisements (or of the later of the two advertisements to be published if they are not published on the same day) and prior to the exercise of the power of sale received by any communication from the member or person entitled by transmission; and

(d) the Company has first given notice in writing to the Quotations Department of the Stock Exchange of its intention to sell such share.

61. To give effect to any sale under Article 60 the Company may appoint any person to execute as transferor an instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by the transmission to such share. The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such member or other person. Monies carried to such separate account may either be employed in the business of the Company or investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit. No interest shall be paid in respect of such moneys and the Company shall not be bound to account for any money earned thereon.

#### DISCLOSURE OF INTERESTS IN SHARES

62. Where the holder of any shares, or any other person appearing to be interested in those shares, fails to comply within fourteen days with a notice in respect of such shares under Section 793 of the 2006 Act regarding disclosure of interests in shares (a "**statutory notice**"), subject to the provisions of the Statutes, the Directors may give the holder of those shares a further notice (a "**restriction notice**") to the effect that from the service of the restriction notice those shares (the "**restricted shares**") shall be subject to some or all of the following restrictions:

- (a) that the restricted shares shall not confer on the holder (for so long as the default continues) any right to attend or vote either in person or by proxy at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company;
- (b) that the Directors may withhold payment of all or any part of any dividend on the restricted shares without any liability to pay interest thereon when such money is finally paid to the member, including shares issued in lieu of dividend; and
- (c) that the Directors may decline to register a transfer of the restricted shares or any of them unless such a transfer is pursuant to an arm's length sale; provided that, where the restricted shares comprise less than 0.25 per cent. of the shares of any class, the restriction notice will only impose the restrictions set out in paragraph (a) above,

provided that, in the case of shares in uncertificated form, the Directors may only exercise their discretion not to register a transfer if permitted to do so by the Regulations. Any direction notice may treat shares of a member in certificated and uncertificated form as separate holdings and either apply only to the former or to the latter or make different provision for the former and the latter. Upon the giving of a direction notice its terms shall apply accordingly.

63. Article 62 is in addition to, and shall not in any way prejudice or affect, the statutory rights of the Company arising from any failure by any person to give any information required by a statutory notice within the time specified in it. For the purposes of this Article a statutory notice need not specify the relevant period, and may require any information to be given before the expiry of the relevant period.
64. A restriction notice shall cease to apply to any restricted shares on the expiry of seven days from the earlier of:
- (a) receipt by the Company of notice that such restricted shares have been sold to a third party pursuant to an arm's length sale; and
  - (b) due compliance, to the satisfaction of the Company, with the statutory notice given in respect of such restricted shares.
65. Any new shares issued in right of any shares subject to a restriction notice shall be subject to the restriction notice.
66. In Articles 62 to 64:
- (a) **"arm's length sale"** means a sale of the entire interest in the shares the subject of the sale on a recognised investment exchange or on acceptance of a takeover offer or pursuant to any other sale which is in the reasonable opinion of the Directors at arm's length;
  - (b) a person shall be treated as appearing to be interested in any shares if information given in response to a statutory notice fails to establish the identities of those interested in the shares and if (after taking into account the information given in response to any other statutory notice) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; and
  - (c) reference to a person having failed to comply with a statutory notice includes reference to him having failed or refused to give all or any part of the information required by such notice and reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular.

#### **CHANGE OF NAME**

67. The name of the Company may be changed by a resolution of the Directors.

#### **GENERAL MEETINGS**

68. The Company shall comply with the provisions of the Statutes regarding the holding of annual general meetings. Subject to such provisions the annual general meeting shall be held at such time and place as may be determined by the Directors.
69. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, convene a general meeting to be held at such time and place as the

Directors may determine. If there are not sufficient Directors to form a quorum in order to call a general meeting, any Director may call a general meeting. If there is not a Director, any member of the Company may call a general meeting.

### NOTICE OF GENERAL MEETINGS

70. Subject to the provisions of the Statutes, an annual general meeting shall be called by twenty-one clear days' notice in writing at least, and any general meeting, including any general meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, or a resolution appointing a person as a Director, and any other general meeting, shall be called by fourteen clear days' notice in writing at least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given). Notice shall be given in the manner hereinafter mentioned to all members other than such as by or by virtue of these Articles are not entitled to receive such notices from the Company, to the Directors and to the Auditors. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting. Provided that a general meeting notwithstanding that it has been called by shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:
- (a) in the case of an annual general meeting by all the members entitled to attend and vote thereat; and
  - (b) in the case of a general meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than ninety five per cent in nominal value of the shares giving that right.
71. The accidental omission (or failure due to circumstances beyond the Company's control) to give notice of a meeting or a resolution intended to be moved at a general meeting, or (in cases where instruments of proxy are sent out or supplied with the notice) the accidental omission (or failure due to circumstances beyond the Company's control) to send or supply such instrument of proxy to, or the non-receipt of notice of a meeting or resolution intended to be moved at a general meeting, or such instrument of proxy by, any person entitled thereto shall be disregarded for the purpose of determining whether notice of the meeting or resolution (as the case may be) is duly given.
72. Every notice calling a general meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement to the effect that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, to speak and to vote instead of him and that a proxy need not be a member of the Company.
73. Every notice calling an annual general meeting shall also specify the meeting as such.
74. Every notice calling a general meeting at which business other than routine business is to be transacted shall specify the general nature of such business; and if any

resolution is to be proposed as a special resolution, such notice shall contain a statement to that effect.

75. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:
- (a) declaring dividends;
  - (b) considering and adopting the accounts, the reports of the Directors and Auditors and other documents required to be annexed to the accounts;
  - (c) appointing or re-appointing the Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
  - (d) re-appointing the retiring Auditors unless they were first appointed otherwise than by the Company in general meeting; and
  - (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is fixed.
76. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject to therein provided:
- (a) give to the members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
  - (b) circulate to the members entitled to have notice of the next annual general meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
77. Any member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
78. For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes such person may cast, the Company may specify a time in the notice of the meeting, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. In calculating such period no account is to be taken of any part of a day that is not a working day.

#### **PROCEEDINGS AT GENERAL MEETINGS**

79. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two qualifying persons entitled to vote shall be a quorum unless:
- (a) each is a qualifying person only because he is authorised to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or

- (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

For the purposes of this article, a “qualifying person” means (i) an individual who is a member of the Company; (ii) a person authorised to act as the representative of a corporation in relation to the meeting; or (iii) a person appointed as proxy of a member in relation to the meeting.

80. The chairman of the Directors, failing whom a deputy chairman (to be chosen, if there be more than one, by agreement amongst them or, failing agreement, by lot) shall preside as chairman at a general meeting. If there be no such chairman or deputy chairman, or if at any meeting none be present within five minutes after the time appointed for holding the meeting or none be willing to act, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be chairman of the meeting.
81. If within fifteen minutes from the time appointed for a general meeting (or such longer period as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the day falling at least 10 clear days thereafter, at the same time and place, or to such day and at such time and place as the chairman of the meeting may determine, and if at such adjourned meeting a quorum is not present within such period from time to time appointed for holding the meeting, the meeting shall be dissolved.
82. The chairman of the meeting may at any time without the consent of the meeting adjourn any general meeting (whether or not it has commenced or a quorum is present) either indefinitely or to another time or place where it appears to him that the members and proxies wishing to attend cannot conveniently be accommodated in the place appointed for the meeting or that the conduct of the persons present prevents or is likely to prevent the orderly continuation of business or that an adjournment is otherwise necessary so that the business of the meeting may properly be conducted. In addition the chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the Directors.
83. When a meeting is adjourned for thirty days or more or indefinitely not less than seven days’ notice of the adjourned meeting (exclusive of the day on which it is served or deemed to be served and of the day for which it is given) shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
84. In the case of any general meeting the Directors may, notwithstanding the specification in the notice of the place of the meeting (the “principal place”) at which

the chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by members and proxies entitled to attend the general meeting but excluded from the principal place under the provisions of this Article. Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance aforesaid at the other places provided that they shall operate so that any members and proxies excluded from attendance at the principal place are able to attend at one of the other places. For the purpose of all other provisions of these Articles any such meeting shall be treated as being held and taking place at the principal place.

85. The Directors may, for the purpose of facilitating the organisation and administration of any general meeting to which any of the arrangements in Article 84 apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford to all members and proxies entitled to attend the meeting an equal opportunity of being admitted to the principal place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any member or proxy to attend a general meeting at the principal place shall be subject to such arrangements as may be for the time being in force whether stated in the notice convening the meeting to apply to that meeting or notified to the members concerned subsequent to the notice concerning the meeting.
86. The Directors may direct that members or proxies wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Directors shall consider appropriate in the circumstances and shall be entitled in their absolute discretion to refuse entry to such general meeting to any member or proxy who fails to submit to such searches or otherwise comply with such security arrangements or restrictions.

#### VOTING

87. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by either:
- (a) the chairman of the meeting; or
  - (b) not less than two members present in person or by proxy or represented by a duly authorised corporate representative and entitled to vote; or
  - (c) a member or members present in person or by proxy or represented by a duly authorised corporate representative and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (d) a member or members present in person or by proxy or represented by a duly authorised corporate representative and holding shares conferring a right to vote at the meeting being shares in which aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring the right.



88. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
89. If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
90. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
91. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. A special resolution 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 clear error in the resolution;
- and an ordinary resolution may be amended if:
- (c) written notice of the terms of the proposed amendment and of the intention to move the amendment have been delivered to the Company at the Office at least 48 hours before the time for holding the meeting or the adjourned meeting at which the ordinary resolution in question is proposed and the proposed amendment does not, in the reasonable opinion of the chairman, materially alter the scope of the resolution; or
  - (d) the chairman of the meeting, in his absolute discretion, decides that the proposed amendment may be considered or voted on.
92. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to affect the result of the voting.

## VOTES OF MEMBERS

93. Subject to Article 78 and to any special rights or restrictions as to voting attached by or by virtue of these Articles to any shares or any class of shares:

(a) on a show of hands:

(i) every member who is present in person shall have one vote, and every proxy present who has been duly appointed by a member entitled to vote shall have one vote;

(ii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that

(A) if the proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or

(B) is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way)

he has one vote for and one vote against the resolution; and

(iii) every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to; and

on a poll every member present in person or by duly appointed proxy or corporate representative has one vote for every share of which he is the holder or in respect of which his appointment of proxy or corporate representative has been made.

94. A proxy or corporate representative must vote in accordance with directions of the appointing member but there is no obligation on the Company to check whether a proxy or corporate representative has voted in accordance with instructions, and such vote is not invalidated should instructions not have been followed.

95. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which names stand in the Register in respect of the joint holding.

96. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise power with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence as they may require, permit such receiver or other person to vote in person or by proxy on behalf of such member at any general meeting.

97. No member shall, unless the Directors otherwise determine, be entitled to be present or to vote at any general meeting either in person or by proxy or upon any poll or to exercise any other right conferred by membership in relation to meetings of the Company in respect of shares held by him if any call or other sum presently payable by him to the Company in respect of those shares remains unpaid.
98. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose discretion shall be final and conclusive.
99. On a poll votes may be given either personally, by proxy or by corporate representative, and a person entitled to more than one vote need not use all his votes or cast all his votes in the same way.

### PROXIES

100. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. Delivery of an appointment of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. A proxy need not be a member of the Company. A member may appoint more than one proxy in respect of the same meeting or poll provided that the instrument appointing the proxy shall specify the number of shares in respect of which the proxy is appointed and only one proxy shall be appointed in respect of any one share. When two or more valid but differing appointments of proxy are executed in respect of the same share for use at the same meeting, the one which is last executed shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last executed none of them shall be treated as valid in respect of that share.
101. Subject to Article 102, an instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may accept and:
  - (a) in the case of an individual, shall be signed by the appointor or by his attorney; and
  - (b) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on the instrument need not be witnessed.

102. Notwithstanding the provisions of Article 101, the Directors may allow an appointment of proxy to be sent or supplied in electronic form subject to such limitations, restrictions or conditions (including, without limitation, in regard to any powers of attorney (if any) under which any such proxy is obtained) as the Directors may determine, in its absolute discretion. If the Directors allow an appointment of a proxy to be sent or supplied in electronic form, the address for the purpose of receiving such electronic form shall be specified:

- (a) in the notice convening the meeting; or
- (b) in any form of proxy sent out by the Company in relation to the meeting; or
- (c) in any invitation in electronic form to appoint a proxy issued by the Company in relation to the meeting.

Where an electronic address is so specified, any document or information relating to proxies for the meeting (including any document necessary to show the validity of, or otherwise relating to, an appointment of proxy, or notice of termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting, form of proxy or invitation.

103. An appointment of a proxy together with any authority under which it is executed or a copy of the authority certified notarially or in some way approved by the Directors shall:

- (a) in the case of an instrument in hard copy form, be received (together with any power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Directors) at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any form of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting not less than 48 hours before the time of the holding of the meeting or the adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of an appointment of proxy in electronic form, be sent so as to be received at the electronic address specified by the Company for that purpose, not less than 48 hours before the time of the holding of the meeting or the adjourned meeting at which the person named in the appointment proposes to vote and in compliance with any limitations, restrictions or conditions imposed under Article 102;
- (c) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the Directors may determine) before the time appointed for the taking of the poll,

An appointment of proxy which is not or in respect of which the authority or copy thereof is not deposited, delivered or actually received in a manner so permitted shall be invalid. The Directors may specify in the notice convening the meeting that in determining the time for delivery of proxies pursuant to this Article, no account shall be taken of any part of a day that is not a working day. No appointment of proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution (or, in the case of an appointment of proxy in electronic form, its receipt at the electronic address specified by the Company for that purpose) except in relation to an adjourned meeting or on a poll demanded at an adjourned meeting in cases where the meeting was originally held within 12 months from such date.

104. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
105. A vote cast or poll demanded by proxy or by duly authorised representative of a corporation shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made or by the transfer of the share in respect of which the proxy was given provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or that no transfer as aforesaid shall have been registered by the Company not later than the last time at which an appointment of proxy should have been received in order to be valid for use at the meeting at which the vote was given or the poll demanded or for use on the holding of the poll at which the vote was given.
106. The Directors may at the expense of the Company, send by post or otherwise, to members instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any meeting of any class of members of the Company in such format the Directors may determine. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense they shall be issued to all (and not only to some) of the members entitled to be sent notice of the meeting and to vote thereat by proxy.

#### **CORPORATIONS ACTING BY REPRESENTATIVES**

107. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

#### **DIRECTORS**

108. Subject as hereinafter provided the number of Directors shall not be less than two nor more than twelve. The Company may by ordinary resolution from time to time vary the minimum or maximum number of Directors.
109. A Director and an alternate Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company. The chairman of the meeting may permit other persons who are not members of the Company or otherwise entitled to exercise the rights of members in relation to general meetings to attend and, at the chairman's discretion, speak at a general meeting or at any separate meeting of the holders of any class of shares in the Company.

110. The Directors shall be entitled to ordinary remuneration at such rate as the Directors may from time to time determine, not exceeding £500,000 per annum in aggregate or such higher sum as the Company may from time to time by ordinary resolution determine, divisible in such proportions and in such manner as the Directors may from time to time determine. Such remuneration shall accrue from day to day.
111. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or class meetings or otherwise in or about the business of the Company.
112. Any director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, bonus or otherwise (whether expressed to be exclusive or inclusive of his remuneration (if any) under these Articles) as the directors may determine.
113. The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary undertaking of the Company or is allied to or associated with the Company or any such subsidiary undertaking or of any of the predecessors in business of the Company or any such other company as aforesaid, or who may be or have been Directors or officers of the Company or of any such other company as aforesaid and who hold or have held executive positions or agreements for services with the Company or any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such person as aforesaid, and make payments for or towards the insurance of any such person as aforesaid and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject to particulars with respect to the proposed payment being disclosed to the members of the Company and to the proposal being approved by the Company by ordinary resolution, if the Statutes shall so require, any Director who holds or has held any such executive position or agreement for services shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.
114. Subject to the Statutes, and provided that he has disclosed to the Directors the nature and extent of any interest of his in accordance with Articles 139 to 159, a Director or intending Director (including an alternate Director) may contract or be interested in any contract or arrangement with the Company or any other Company in which the Company is or may have been or may become interested and hold any office or place of profit (other than the office of auditor of the Company or any subsidiary undertaking thereof) under the Company or any such other company and he (and any firm of which he is a member) may act in a professional capacity for the Company or

any such other company (save as otherwise agreed) may retain for his own absolute use and benefit all emoluments, dividends, profits, benefits and other advantaged accruing to him therefrom.

115. Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to be holder of any executive office (including, where considered appropriate, the office of chairman or deputy chairman) on such terms and for such period as they may determine and, without prejudice to any claim for damages under any contract entered into in any particular case, may at any time revoke any such appointment.
116. The appointment of any Director to the office of chairman or deputy chairman or joint managing or deputy or assistant managing director shall automatically terminate if he ceases to be a Director, but without prejudice to any claim by either the Company or the Director for damages for breach of any contract between him and the Company.
117. The appointment of any Director to any other executive office shall not automatically terminate if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such termination shall be without prejudice to any claim by either the Company or the Director for damages for breach of contract between him and the Company.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

118. Subject to Article 119 below, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that no director appointed by the Directors since the last annual general meeting shall be taken into account in determining the number of directors to retire. In any event all Directors shall offer themselves for re-election on at least one occasion in every period of three years, such period being calculated from the date of their appointment or last re-election as the case may be.
119. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
120. The Company at the meeting at which a Director retires under any provisions of these Articles may by ordinary resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:
  - (a) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

- (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
  - (c) where the default is due to the moving of a resolution in contravention of the next following Article.
121. The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected (and his alternate, if any) will continue in office without a break.
122. The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any Director from office notwithstanding any provision of these Articles or any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a Director so removed from office. Any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.
123. The Company may by ordinary resolution and the Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed or in accordance with these Articles. Any Director so appointed by the Directors shall hold office only until the next annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.
124. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of his provision would be void.
125. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any general meeting unless not less than seven nor more than forty-two clear days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.
126. The office of a director shall be vacated if:
- (a) he shall become prohibited by law from acting as a Director;



- (b) he shall resign in writing under his hand left at the Office or if he shall tender his resignation and the Directors shall resolve to accept the same;
- (c) he shall become bankrupt or shall make any arrangement with or compound with his creditors generally;
- (d) a registered medical practitioner who has examined him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a director and may remain so for more than three months, or by reason of his mental health a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have had and, in either case, the Directors resolve that his office be vacated;
- (e) he shall be absent from meetings of the Directors for six months without special leave of absence from the Directors (and his alternate Director, if any, shall not during such period have attended in his stead) unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient, and the Directors shall resolve that his office be vacated;
- (f) when there are at least three Directors, he shall be requested in writing by all his co-Directors to resign;
- (g) any contract with the Company relating to his appointment as a Director or to any executive office is terminated by the Company, unless the Directors resolve that he should continue in office as a Director; or
- (h) he shall be removed from office as provided by Article 122.

#### **ALTERNATE DIRECTORS**

- 127. Any Director may at any time by writing under his hand deposited at the Office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors or appointing another Director as an alternate, shall have effect only upon and subject to being so approved.
- 128. The appointment of an alternate Director shall terminate on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.
- 129. An alternate Director shall (except when absent from the United Kingdom) be entitled to be given notice of meetings of the Directors of which his appointor is not given notice due to his appointor's absence from the United Kingdom or of which his appointor shall have requested, in writing under the appointor's hand deposited at the Office or delivered at a meeting of the Directors, that he be given notice either generally or in any particular case or cases.
- 130. An alternate Director shall be entitled to attend and vote as a Director at any meeting of the Directors at which the Director appointing him is not personally present and generally at such a meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles

shall apply as if he were a Director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the Directors shall be effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committee of the Directors the provisions of Article 129 and this Article 130 shall also apply to any meeting of any such committee of which the appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

131. An alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed an agent of or for the Director appointing him. An alternate Director may be interested in contracts, arrangements and other proposals, may be repaid expenses by the Company and shall be entitled to be indemnified by the Company to the same extent as if he were a Director, but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
132. Where an alternate Director is the alternate of more than one Director and attends a meeting of the Directors or a meeting of a committee of the Directors which the Directors have determined he is entitled to attend in his capacity as an alternate, he shall in the absence of more than one appointor have a separate vote for each appointor for whom he is attending; if he is himself a Director his vote or votes as an alternate Director shall be in addition to his own vote as a Director.

#### **PROCEEDINGS OF DIRECTORS**

133. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retrospective.
134. Notice of a meeting of the Directors shall be deemed to be properly given to a Director if given to him personally, by word of mouth or in writing to him at his last known address or at any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of the Directors to any Director who is for the time being absent from the United Kingdom unless he has requested the Directors to do so, in which case notices of meetings of Directors shall during his absence be sent to him at the address given by him to the Company for this purpose but such notices need not be given any earlier than notices given (by whatever means) to Directors not so absent.
135. A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised, in addition to his own vote. Any such authority may be in

writing, which must be produced at the meeting at which the same is to be used, and left with the Secretary for filing.

136. All or any of the Directors may participate in a meeting of the Directors by any lawful means including by means of conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other at the same time. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

137. No business shall be transacted at any meeting of the Directors unless a quorum is present. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two.

For the purposes of this Article an alternate Director shall be counted in a quorum, but so that not less than two individuals shall constitute the quorum. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

138. A resolution in writing signed by, or by the alternate Directors of, all the Directors who are or whose alternate Directors are for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Directors duly convened and held. The resolution may be contained in one document or several documents in the like form, each signed by one or more of the Directors. Any such resolution may be signed by an alternate Director in place of his appointor if his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability.

- (a) A proposed Directors' written resolution shall be adopted when all the Directors who have received notice of it have:
  - (i) signed one or more copies of it; or
  - (ii) otherwise indicated their agreement to it in writing.
- (b) It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it shall be adopted.
- (c) A Directors' written resolution shall not be adopted if the number of Directors who have signed it is less than the quorum for Directors' meetings.
- (d) Once a Directors' written resolution has been adopted, it shall be treated as if it had been a decision taken at a Directors' meeting in accordance with the Articles.
- (e) The Company secretary shall ensure that the Company keeps a record, in writing, of all Directors' written resolutions for at least ten years from the date of their adoption.

## DIRECTORS' CONFLICTS OF INTEREST

### Power of board to authorise conflicts

139. The Directors shall have the power to authorise any matter which would or might otherwise involve a breach of a Director's duty under section 175 of the 2006 Act to avoid a conflict of interest (a "**Conflict Situation**"). Authorisation of a Conflict Situation under this Article shall be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter was agreed to without their voting, or would have been agreed to if their votes had not been counted.

140. Any authorisation of a Conflict Situation under Article 139 shall:

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised; and
- (b) be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, including that the relevant Director is excluded from receiving information, participating in discussion and/or making decisions (whether at meetings of the Directors or otherwise) in relation to the Conflict Situation,

and may be revoked by the Directors at any time, but without affecting anything done by the Director before such revocation in accordance with the terms of the authority.

141. A Director shall not be accountable to the Company for any benefit which he (or a person connected with him) derives from any Conflict Situation which has been authorised by the board under Article 139 (subject to any conditions or limitations imposed in accordance with Article 140(b)), nor shall the receipt of any such benefit constitute a breach of his duty under section 176 of the 2006 Act, nor any related contract, transaction or arrangement be liable to be avoided on the grounds of such benefit.

142. Any terms determined by the Directors under Article 140(b) or above may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation):

- (a) whether the interested Director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Conflict Situation;
- (b) the exclusion of the interested Director(s) from all information and discussion by the Company of the Conflict Situation; and
- (c) (without prejudice to the general obligations of confidentiality) the application to the interested Director(s) of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the Conflict Situation.

An interested Director must act in accordance with any terms determined by the Directors under Article 140(b).

143. Except as specified in Article 140 above, any proposal made to the Directors and any authorisation by the Directors in relation to a Conflict Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the Directors in accordance with the provisions of these Articles.

**Other conflicts of interest**

144. A Director may have an interest of the following kind, and no authorisation by the Directors shall be required under Article 140 in respect of any such interest:

- (a) where a Director is or becomes a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company;
- (b) where a Director is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company;
- (c) where a Director holds any other office or place of profit with the Company (other than as auditor) in conjunction with his office of Director for such period and on such terms, including as to remuneration, as the Directors may decide; or
- (d) where the Director acts (or a firm of which he is a partner, employee or member acts) in a professional capacity for any Relevant Company (other than as auditor), whether or not he or it is remunerated for the services.
- (e) For the purposes of this Article, “**Relevant Company**” shall mean:
  - (i) the Company;
  - (ii) any subsidiary undertaking of the Company;
  - (iii) any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking;
  - (iv) any body corporate promoted by the Company; or
  - (v) any body corporate in which the Company is otherwise directly or indirectly interested,

and “**subsidiary undertaking**” and “**parent undertaking**” shall be construed in accordance with sections 1161 and 1162 of the 2006 Act.

145. A Director shall declare the nature and extent of any interest falling within Article 144 in accordance with the provisions of Article 151 to 157 below.

146. A director shall not be accountable to the Company for any benefit which he (or a person connected with him) derives from any interest falling within Article 144, nor shall the receipt of any such benefit constitute a breach of his duty under section 176

of the 2006 Act, nor any related contract, transaction or arrangement be liable to be avoided on the grounds of such benefit.

#### **Duty of confidentiality to a third party**

147. Subject to Article 148, the Directors may provide that where a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to another person, he shall not be required to:
- (a) disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company; or
  - (b) otherwise use or apply such confidential information in performing his duties as a director.
148. To the extent that a Director's relationship with that other person referred to in Article 147 gives rise to a Conflict Situation, Article 147 applies only if:
- (a) the existence of that relationship has been approved by the Directors pursuant to Article 140; and
  - (b) (without prejudice to his general obligations of confidentiality) the Director observes a strict duty of confidentiality to the Company for any confidential information of the Company relating to the relevant Conflict Situation.

#### **Consequences of authorisation**

149. Where the existence of a Director's relationship with another person gives rise to a Conflict Situation which has been approved by the Directors pursuant to Article 140, the Director shall not be in breach of his general duties to the Company under sections 171 to 177 of the 2006 Act if he:
- (a) absents himself from meetings of the Directors at which any matter relating to that Conflict Situation will or may be discussed or from the discussion of any such matter at any other meeting or otherwise; and/or
  - (b) makes arrangements not to receive documents and information relating to that Conflict Situation sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such Conflict Situation subsists.

#### **Without prejudice to equitable principles or rules of law**

150. Articles 147 and 149 are without prejudice to any equitable principle or rule of law which may excuse a Director from disclosing or receiving information, or attending meetings or discussions, in circumstances where this would otherwise be required under these Articles.

#### **Quorum, voting and interests in transactions or arrangements with the Company**

151. A Director shall declare the nature and extent of his interest in a Conflict Situation to the other Directors. Such declaration must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.
152. If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of that interest to the other Directors. Such declaration must be made before the Company enters into the transaction or arrangement.
153. Where a Director is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company, he must declare the nature and extent of his interest to the other Directors, unless the interest has been declared under Article 152. Such a declaration must be made as soon as reasonably practicable.
154. The declaration of interest must (in the case of Article 153) and may, but need not, (in the case of Articles 151 or 152) be made at a meeting of the board or in the manner set out in sections 184 (*notice in writing*) or 185 (*general notice*) of the 2006 Act.
155. If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.
156. A declaration in relation to an interest of which the Director is not aware, or where the Director is not aware of the transaction or arrangement in question, is not required. For this purpose, a Director is treated as being aware of matters of which he ought reasonably to be aware.
- (a) A Director need not declare an interest:
- (i) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (ii) if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
  - (iii) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under the Articles.
157. A Director shall not vote on, or be counted in the quorum at a meeting in relation to, any resolution of the Directors or a committee of the board in respect of any contract, transaction or arrangement in which he has an interest. If he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters:
- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he (together with persons connected with him within the meaning of Section 252 of the 2006 Act) is not beneficially interested in 1 per cent or more of the issued shares of any class of such body corporate (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; and
- (f) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company or for persons who include Directors of the Company provided that for the purposes of this sub-paragraph insurance shall mean only insurance as referred to in Article 234 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors of the Company.

### **General**

158. For the purposes of Articles 140 to 159:

- (a) an interest of a person who is connected with a Director shall be treated as an interest of the Director;
- (b) sections 252 and 253 of the 2006 Act shall determine whether a person is connected with a Director; and
- (c) a "**conflict of interest**" includes a conflict of interest and duty and a conflict of duties.

159. The Company may by ordinary resolution ratify any contract, transaction or arrangement, or any other matter, not properly authorised by reason of a contravention of Articles 140 to 149.



## **BORROWING POWERS**

160. Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and, subject to the provisions of section 551 of the 2006 Act, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
161. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or power of control exercisable by the Company at general meetings of its subsidiary undertakings, (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all monies borrowed by the Group (which expression means the Company and its subsidiary undertakings for the time being) shall not (excluding intra-Group borrowings) at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to two and a half times the adjusted total of capital and reserves.
162. For the purposes of Article 161:
- (a) The following shall (unless otherwise taken into account) be deemed to constitute monies borrowed:
    - (i) the principal amount outstanding in respect of any debenture notwithstanding that the same may have been issued in whole or in part of a consideration other than cash;
    - (ii) the principal amount outstanding in respect of any debenture of any member of the Group which is not beneficially owned within the Group;
    - (iii) the principal amount outstanding under any bill accepted by any member of the Group and not beneficially owned within the Group or under any acceptance credit opened on behalf or in favour of any member of the Group other than by another member of the Group (not being an amount outstanding in respect of the purchase of goods in the ordinary course of trading);
    - (iv) the nominal amount of the issued and paid-up preference share capital of any subsidiary undertaking of the Company not beneficially owned within the Group;
    - (v) the nominal amount of any issued share capital and the principal amount of any monies borrowed (not being issued share capital or monies borrowed beneficially owned within the Group) the redemption or repayment whereof is guaranteed or secured by the Company or by any of its subsidiary undertakings; and
    - (vi) any fixed or minimum premium payable on final redemption or repayment of any debentures or other monies borrowed or share capital in addition to the principal or nominal amount thereof.

- (b) Monies borrowed for the purpose of and actually applied within six months in repaying the whole or any part of other monies borrowed by the Group and for the time being outstanding shall not, pending their application for such purposes, be deemed to be monies borrowed.
- (c) Monies borrowed from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under the contract which is guaranteed or insured by the Export Credit Department or any other institution or body carrying on a similar business shall be deemed monies borrowed.

163. For the purposes of Article 161:

- (a) The adjusted total of capital and reserves means:
  - (i) the nominal amount of the issued and paid up or credited as paid up share capital for the time being of the Company; and
  - (ii) the amount standing to the credit of the consolidated reserves of the Group including share premium account and capital redemption reserve fund (if any) and the amount standing to the credit of the consolidated profit and loss account, as shown in a consolidation of the most recent audited balance sheets of the Company and its subsidiary undertakings available at the date the calculation falls to be made but after:
    - (A) adjusting as may be necessary in respect of any variation in such paid up share capital and reserves since the dates of such balance sheets but so far as profit and loss is concerned only take account of (I) any distribution (otherwise than within the Group) paid, recommended or declared and not (y) already provided for as a liability in such balance sheets or (z) being a normal preference of interim dividend payable out of profits since earned and (II) any provision made other than out of profits since earned,
    - (B) excluding any sum set aside for taxation (other than deferred taxation),
    - (C) excluding a sum equal to the book value of goodwill other than goodwill arising upon such consolidation (the amount of which so far as previously written off to be written back); and
    - (D) deducting if not already deducted any debit balance on profit and loss account.
- (b) Share capital allotted shall be treated as issued and any share capital already called up or payable at any future date within the following twelve months shall be treated as already paid up and if the Company proposes to issue any shares for cash and the issue of such shares has been underwritten then such shares shall be deemed to have been issued and the subscription monies

(including any premium) payable in respect thereof within the following twelve months shall be deemed to have been paid up.

- (c) In calculating the adjusted total of capital and reserves any adjustments may be made that the Auditors may certify in their opinion to be appropriate, including in particular adjustments to provide for the carrying into effect of any transaction for the purposes of or in common with which it requires to be calculated.
  - (d) The certificate of the Auditors as to the amount of the adjusted total of capital and reserves at any time shall be conclusive and binding on all concerned.
164. No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions of this Article be concerned to see or inquire whether this limit is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or the security given express notice that the limit hereby imposed had been or would thereby be exceeded.

#### **GENERAL POWERS OF DIRECTORS**

165. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by special resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.
166. The Directors may delegate any of their powers to committees consisting of such person or persons (whether Directors or not) upon such terms and conditions and with which such restrictions as they think fit provided that the majority of the members of the committee are Directors. Any such delegation (which may include authority to sub-delegate all or any of the powers so delegated) may be collateral with, or to the exclusion of, the powers which are the subject of the delegation (or sub-delegation). Any committees so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors and any or all of the powers so delegated may be altered, waived, withdrawn or revoked by the Directors.
167. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors (including, without limitation, provisions relating to written resolutions under Article 138), so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
168. The Directors may delegate any of their powers to any Director upon such terms and conditions with such restrictions as they think fit. Any such delegation (which may

- include authority to sub-delegate all or any of the powers so delegated) may be collateral with, or to the exclusion of, the powers which are the subject of the delegation (or sub-delegation). Any or all of the powers so delegated may be altered, waived, withdrawn or revoked by the Directors.
169. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any annulment or variation shall be affected thereby.
170. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of person, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities any discretions vested in him. The Directors may revoke or vary the appointment but no person dealing in good faith with the Company and without notice of the revocation or variation shall be affected by it.
171. Any power of the Directors to delegate any of their powers under these Articles (and the power to sub-delegate any of such powers) shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee of the Directors.
172. All acts done by or in pursuance of a resolution of any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director or alternate Director or as a member of a committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any such Directors or alternate Director, or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or alternate Director and had been entitled to vote.
173. The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such designation or title. The inclusion of the word "Director" in the designation or title of any office or employment with the

Company shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles or the Statutes.

174. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register if members resident in such territory, and the Directors may make and vary such regulations as they may think fit regarding the keeping of such register.
175. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time determine.
176. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovering of monies becoming due in respect of calls so made and to give valid receipts for such monies, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.
177. A register of Directors' interests shall be kept in accordance with the Statutes and shall be open to the inspection of any member or holder of debentures of the Company or any other person authorised by the Statutes between the hours of 10 a.m. and noon on each day during which the same is bound to be open for inspection pursuant to the statutes. The register shall also be produced at the commencement of each annual general meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.
178. 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.

#### **SECRETARY**

179. The Secretary shall be qualified in accordance with the provisions of the Statutes and shall be appointed by the Directors on such terms and for such period as they may think fit. The Secretary may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract between him and the Company.
180. Any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## THE SEAL

181. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall (subject to the provisions of Article 182 and to the Statutes) be signed by one Director and the secretary or by two Directors or by one Director in the presence of a witness who attests the signature and in favour of any purchaser or other person dealing with the Company in good faith and relying thereon such signatures shall be exclusive evidence of the fact that the Seal has been properly affixed.
182. The Directors may determine that the signature and countersignature of the certificates for shares, debentures or other securities of the Company or any class thereof shall be dispensed with or affixed by some method or system of mechanical signature or that the certificate shall bear the names of the issuing agents.
183. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

## AUTHENTICATION OF DOCUMENTS

184. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extract therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Directors or any committee of the Directors which he has certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith and relying thereon that such resolution has been duly passed or, as the case may be, that such minutes are or extract is true and accurate record of proceedings at a duly constituted meeting.
185. Any books, records, documents and accounts sent or supplied in hard copy form shall be authenticated if it is signed by the person or member sending or supplying it.
186. Any books, records, documents and accounts sent or supplied in electronic form shall be authenticated if the communication contains or is accompanied by a statement of the identity of the sender and the Company has no reason to doubt the truth of that statement.

## DIVIDENDS

187. The Company may by ordinary resolution declare a dividend and fix the time for the payment thereof, but no dividend shall be payable except out of profits of the Company available for distribution in accordance with the Statutes or in excess of the amount, or at any earlier date than, recommended by the Directors.

188. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, dividends may be declared or paid in any currency.
189. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of call shall be treated as paid on the same share.
190. Subject to the provisions of the Statutes, if and in so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividend on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit. A resolution of the Directors declaring any such dividend shall (once published with their authority) be irrevocable and have the same effect as if such dividend had been declared upon the recommendation of the Directors by an ordinary resolution of the Company. Provided the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage they may suffer by reason of the payment of any interim dividend on any shares having deferred non-preferred rights.
191. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from past date profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
192. No dividend or other monies payable on or in respect of a share shall bear interest as against the Company.
193. The Directors may retain any dividend or other monies payable on or in respect of any share:
- (a) on which the Company has a lien, and may apply the same in or towards satisfaction if the debts, liabilities, or engagements on respect of which the lien exists;
  - (b) in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same; or
  - (c) in accordance with a restriction notice served under Article 62.
194. The company may cease to send any cheque or warrant through the post for any dividend or monies payable on or in respect of any share of at least two consecutive

dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed, or the cheque or warrant in respect of any one dividend has been returned undelivered or remains uncashed and reasonable enquiries have failed to establish any new address of the holder, but may recommence sending cheques and warrants in respect of dividends payable on those shares if the holder or person entitled thereto requests such recommencement in writing.

195. All unclaimed dividends or other monies payable on or in respect of a share may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any such dividend or other monies into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend or the date on which such dividend became due for payment shall be forfeited and shall revert to the Company, but the Directors may at their discretion pay such dividend or such other monies or some part thereof to a person who would have been entitled thereto had the same not reverted to the Company.
196. The Company may upon the recommendation of the Directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares of debentures of another Company) and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value is fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates or any part thereof and otherwise as they think fit.
197. Any dividend or other monies payable in cash or in respect of a share may be paid by cheque or warrant sent through the post to or left at the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member of such person may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such persons as the holder or joint holders or person or persons entitled to share in consequence of the death or bankruptcy of the holder may by writing direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the monies represented thereby. In addition any such dividend or other moneys may at the discretion of the Directors be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint holders or person or persons entitled to the relevant share in consequence of the death or bankruptcy of the holder may by notice direct and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions.
198. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall



from time to time consider sufficient, the Company may pay any such dividend, interest or other moneys by means of the relevant system (subject always to the facilities and requirements of that relevant system).

199. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other monies payable or property distributable on or in respect of the share.

### **RESERVES**

200. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may either be employed in the business of the Company or be invested. The Directors may from time to time designate the reserves or any part thereof for such purposes or in such manner as they think fit. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

### **CAPITALISATION OF RESERVES**

201. The Company may upon the recommendation of the Directors by ordinary resolution resolve to capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of the profit and loss account (provided that such sum be not available and required for paying the dividends on any shares carrying a fixed cumulative preferential dividend) and authorise the Directors to appropriate the sum resolved to be capitalised to the holders of shares in the proportion in which the sum would have been divisible amongst them had the same been a distribution of profits by way of dividend on the shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in towards paying up in full unissued shares or debentures of the Company or a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in one way and partly in another. Provided that any sum standing to the credit of share premium account or capital redemption reserve fund and any other undistributable reserves shall only be applied in or towards the paying up of unissued shares to be allotted as fully paid up.
202. Subject to the approval in general meeting the Directors may, in respect of any dividend declared or proposed to be declared at that general meeting or at any time prior to the next following annual general meeting, determine and announce, prior to or contemporaneously with their announcement of the dividend in question that ordinary shareholders will be entitled to elect to receive in lieu of such dividend (or part thereof) an allotment of additional ordinary shares credited as fully paid up. In any such case the following provisions shall apply:
- (a) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value (calculated by reference to the

average quotation) of the additional ordinary shares (including any fractional element) to be allotted in lieu of any dividend shall equal such amount. For such purposes the "average quotation" of an ordinary share shall be the average of the means of quotations on the Stock Exchange, as shown in the Daily Official List, on each of the first five business days on which the ordinary shares are quoted ex the relevant dividend;

- (b) the Directors shall give notice in writing to the ordinary shareholders of the right of election accorded to them and shall send with or following such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed form of election must be lodged in order to be effective;
  - (c) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on ordinary shares in respect whereof the share election has been duly exercised (the "**elected ordinary shares**"), and in lieu thereof additional shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise, out of such sums standing to the credit of reserves (including any share premium account or capital redemption reserve fund) or profit and loss account as the Directors may determine a sum equal to the aggregate nominal amount of additional ordinary shares to be allotted on such basis any apply the same in paying up in full the appropriate number of unissued ordinary shares on such basis;
  - (d) the additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue save only as regards participation in the relevant dividend (or share election in lieu); and
  - (e) the Directors may on any occasion determine that rights of election shall not be made available to any ordinary shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
203. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid up shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby the benefit of fractional elements accrues to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective interests in such capitalised sum, if the amounts or any part of the amounts remaining unpaid on their existing shares and for matters incidental thereto and any agreement made under any such authority shall be effective and binding on all concerned.

## EXERCISE OF MEMBERS' RIGHTS

### 204. **Nomination notices**

- (a) Subject to the 2006 Act, a member may send the Company notice in writing that another person is entitled to enjoy or exercise all or any specified rights of that member in relation to the Company (a "**nomination notice**").
- (b) The Company may prescribe the form and content of nomination notices. Unless the Company prescribes otherwise, a nomination notice must:
  - (i) state whether it relates to all the shares which the member concerned holds, or only some of them (and, if so, to which shares it relates);
  - (ii) state the name and address of the person nominated;
  - (iii) specify how the Company is to communicate with the person nominated and include any further information which the Company will need in order to use the means of communication specified;
  - (iv) specify whether the person nominated is entitled to enjoy or exercise all the member's rights in relation to the Company, and, if not, which rights the person nominated is to be entitled to enjoy or exercise;
  - (v) indicate whether the specified rights are to be exercised or enjoyed only by the person nominated, or whether the member giving the notice may also continue to exercise or enjoy them;
  - (vi) specify the date from which it is to take effect;
  - (vii) specify when it is to cease to have effect, or that it is to have effect until further notice or until the member concerned ceases to hold the shares to which it relates; and
  - (viii) be executed by or on behalf of the member and the person nominated.

### 203. Effect of nomination notices

### 205. **Effect of nomination notices**

- (a) Subject to the provisions of these Articles, if the Company receives a nomination notice, the Company must give effect to that notice in accordance with its terms.
- (b) A nomination notice ceases to have effect:
  - (i) in accordance with its terms; or
  - (ii) when the member concerned, or the person nominated, dies or ceases to exist.

- (c) The Company must not give effect to a nomination notice to the extent that it is expressed to take effect before the date on which it is received by the Company.
- (d) If the Company receives a document which purports to be a nomination notice but which does not contain the required information or which is not given in the form prescribed by the Company, the Company:
  - (i) must not give effect to it; and
  - (ii) must notify the person that it is defective (and in what respect it is defective), and that the Company cannot give effect to it in its present form.
- (e) If:
  - (i) a nomination notice states that the member in relation to whom it is given may continue to exercise or enjoy the rights specified in it; and
  - (ii) that member and the person nominated in the notice both seek to exercise such a right in relation to a particular matter,
 then, unless the effect of what each of them does in relation to that right would be the same, it is to be treated as not having been exercised by either of them.

- 206. The Company must keep a record of all nomination notices which are in force or have been in force within the preceding 12 months.
- 207. The Company must provide any member, on request, with a copy of its records of nomination notices given in relation to that member.
- 208. The Company must provide any person nominated in a nomination notice with a copy of its records of nomination notices in which that person is nominated.

#### **RECORD DATES**

- 209. Notwithstanding any other provision of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, offer, allotment or issue and such record date may be on or any time before any date not more than 48 hours before the date on which the dividend, distribution, offer, allotment or issue is declared, paid or made. In calculating such period no account is to be taken of any part of a day that is not a working day.

#### **MINUTES AND BOOKS**

- 210. The Directors shall cause minutes to be made in books to be provided for the purpose:
  - (a) of all appointments of officers made by the Directors;
  - (b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

- (c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

Any such minutes if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next following meeting shall be sufficient evidence without any further proof of the facts therein stated.

211. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.
212. Any register, index, minute book, book of account or other book or document of the Company shall always be open to the inspection of the officers of the Company. Subject as aforesaid, no member of the Company or other person shall have any right of inspecting any book or document of the Company except as conferred by the Statutes or as ordered by a Court of competent jurisdiction or as authorised by the Directors and the Directors shall, (subject to the provisions of the Statutes) determine at what times and under what conditions any such right may be exercised.

#### ACCOUNTS

213. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place within Great Britain as the Directors think fit.
214. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.
215. A printed copy of the Directors' report accompanied by the balance sheet, profit and loss account and Auditors report which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) shall not be less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or these Articles. Provided that this Article shall not require a copy of such documents to be sent to more than one of joint holders or to any person who is not entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application to the Office. The requirements of this Article shall be deemed to be satisfied in relation to any member by sending to that member, where permitted by the Statutes, a summary financial statement prepared in the form and containing the information prescribed by the Statutes. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting

216. Every account of the Company when audited and approved by the Company in general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever such an error is discovered within that period, the account shall forthwith be corrected and thereupon shall be conclusive.

#### AUDITORS

217. Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes.
218. Subject to the provisions of the Statutes, all acts done by persons acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment.
219. The Auditors shall be entitled to attend any general meeting and to receive notices of and other communications relating to any general meeting which any member is entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns them as Auditors.

#### NOTICES

220. Any notice, document or information (including a share certificate) may be served on or delivered to any member by the Company and to the Company by any member either:
- (a) personally;
  - (b) by sending it through the post in a pre-paid letter addressed to such member at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices;
  - (c) by sending it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement); or
  - (d) subject to the provisions of the Acts by making it available on a website, provided that the requirements in Article 221 are satisfied.
221. The requirements referred to in Article 220(d) are that:-
- (a) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);

- (b) the member is sent a notification of the presence of the notice document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed (“**notification of availability**”);
- (c) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting and states whether it will be an annual general meeting; and
- (d) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the period specified by any applicable provision of the Acts, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

222. Service or delivery of any notice, document or information shall be deemed to be effected:

- (a) where despatched by post, at the expiration of 24 hours after the time when the letter containing the same is posted and in proving such services or delivery it shall be sufficient to prove that such letter was properly addressed, stamped and posted;
- (b) where electronic means are used, at the expiration of 24 hours following transmission; and
- (c) in the case of website communications, when the material is first made available on the Company’s website or if later, when the recipient received notice of the fact that the material was available on the website.

223. In respect of joint holdings all notices shall be given to the joint holder with a registered address (or other addresses for service in the United Kingdom) whose name stands first in the register and notice so given shall be sufficient notice to all joint holders of that joint holding.

224. Any notice, document or information delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member a sole or joint holder, provided that where a person entitled to a share in consequence of death or bankruptcy of a member has supplied to the Company evidence to show his title to the share and an address (including the electronic address) within the United Kingdom for the service of any notice, document or information to which the member but for his death or bankruptcy would be entitled shall be served on or delivered to such

person in like manner as a member, and shall for all purposes be deemed to be sufficient service or delivery of such notice, document or information on all persons interested (whether jointly with or as claiming through or under him) in the share.

225. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by any notice in respect of such share which previously to his name and address being entered in the Register as the holder thereof shall have been served on or delivered to a person from or through whom he derives his title to such share provided that the provisions of this Article shall not apply to any notice given under Article 62 or the provisions of the Statutes referred to therein.
226. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company. Any member whose registered address is not within the United Kingdom and who gives to the Company an electronic address may, at the absolute discretion of the Directors, have notices served upon him at that address. For avoidance of doubt, the provisions of this Article 226 are subject to Article 72. The Company may at any time and at its sole discretion choose to send or supply notices, documents and information only in hard copy form to some or all members.
227. A member who has not notified the Company of an electronic address for the service of notices will continue to receive notices in hard copy form or notification in hard copy form that notices have been made available on a website.
228. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or any part thereof the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened either:
- (a) by a notice advertised in two national daily newspapers published on the same date and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if, at least 48 hours prior to the meeting, the posting of such notices to addresses throughout the United Kingdom again becomes practicable; and/or
  - (b) by electronic means or website communications.
229. Nothing in these Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

#### **WINDING UP**

230. The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.
231. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, with the authority of an special resolution, divide amongst the members in specie the whole or any part of the assets



of the Company (whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds) and may for such purposes set such value as he deems fair upon any one or more class of property and may subject to any special rights attached to any shares or the terms of issue thereof determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

### INDEMNITY AND INSURANCE

232. Subject to the provisions of the Statutes, the Company may, to the fullest extent permitted by law and without prejudice to any other indemnity to which the Directors may be entitled, indemnify Directors of the Company and of any Associated Company in respect of all costs, charges, losses, expenses and liabilities arising out of, or in connection with, the actual or purported existence of, or failure to exercise, any of his powers, duties or responsibilities as a Director of the Company or of any Associated Company.
233. The indemnity in the above Article 231 shall be deemed not to provide for, or entitle the Directors to, any indemnification that would cause any part of these Articles to be treated as void under the Statutes and, in particular, shall not provide directly or indirectly (to any extent) any indemnity against:
- (a) any liability incurred by the Directors to the Company or any Associated Company;
  - (b) any liability incurred by the Directors to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature; or
  - (c) any liability incurred by the Directors:
    - (i) in defending any criminal proceedings in which he is convicted;
    - (ii) in defending any civil proceedings brought by the Company or an Associated Company, in which judgment is given against him; or
    - (iii) in connection with an unsuccessful application for relief from liability under the provisions for relief in the 2006 Act,where, in any such case, any such conviction, judgment or refusal of relief has become final (which shall be construed in accordance with section 234(5) of the 2006 Act).
234. Subject to the Statutes, the Company may maintain appropriate liability insurance for Directors (including ensuring that premiums are properly paid) for the benefit of the Directors for so long as any claims may lawfully be brought against the Directors and in respect of any matter occurring or alleged to have occurred while the Director is or was a Director of the Company.

## FRACTIONS

235. If any shares are consolidated and then divided, the board has power to deal with any fractions of shares which result. If the board decides to sell any shares representing fractions, it can do so for the best price reasonably obtainable and distribute the net proceeds of sale among members in proportion to their fractional entitlements, except that any amount otherwise due to a member of an amount equal to or less than £3.00 may be retained for the benefit of the Company or, at the sole discretion of the board, donated to charity. The board can arrange for any shares representing fractions to be entered in the Register as certificated shares if they consider that this makes it easier to sell them. The board can sell those shares to anyone, including the Company if the legislation allows, and may authorise any person to transfer or deliver the shares to the buyer or in accordance with the buyer's instructions. The buyer shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.