

Company number 08882249

**THE COMPANIES ACT 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of

**ROSSLYN DATA TECHNOLOGIES PLC**

**Incorporated on 7 February 2014**

(Adopted by special resolution passed on .....**24 APRIL**..... 2014)

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**ARTICLES OF ASSOCIATION**

of

**ROSSLYN DATA TECHNOLOGIES PLC**

(Adopted by special resolution passed on ..... 2014)

**PRELIMINARY**

**1. EXCLUSION OF OTHER REGULATIONS**

No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies (including the regulations in the Companies (Model Articles) Regulations 2008 (SI 2008/3229)) shall apply as regulations or articles of the Company.

**2. INTERPRETATION**

**2.1** In these Articles, unless the context requires otherwise:

“**Act**” means the Companies Act 2006;

“**address**” includes a number or address used for the purposes of sending or receiving documents or information by electronic means;

“**these Articles**” means these articles of association as altered from time to time, and “**Article**” shall be construed accordingly;

“**Auditors**” means the auditors of the Company from time to time;

“**Board**” means the board of Directors from time to time of the Company or the Directors present or deemed to be present at a duly convened meeting of the Directors at which a quorum is present;

“**certificated share**” means a share that is not an uncertificated share and references in these Articles to a share being in, or being held in, certificated form shall be construed accordingly;

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

“**committee**” means a committee of the Board;



“**Companies Acts**” means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies so far as it applies to the Company;

“**Company**” means Rosslyn Data Technologies plc, a public company limited by shares incorporated and registered in England and Wales with registered number 08882249;

“**Director**” means a director of the Company;

“**dividend**” includes bonus and any other distribution whether in cash or in specie;

“**general meeting**” means any general meeting of the Company including any general meeting held as the Company’s annual general meeting in accordance with the provisions of the Companies Acts;

“**holder**” means, in relation to any share, the person whose name is entered in the Register as the holder of that share and includes two or more joint holders of that share;

“**meeting of the Company**” includes both a general meeting and a meeting of the holders of any class of shares;

“**member**” means a member of the Company;

“**month**” means calendar month;

“**Office**” means the registered office of the Company;

“**ordinary shares**” means ordinary shares of £0.005 each in the capital of the Company;

“**paid up**” means paid up or credited as paid up;

“**person entitled by transmission**” means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the Register;

“**Register**” means the register of members of the Company;

“**Seal**” means the common seal (if any) of the Company;

“**Secretary**” means the secretary for the time being of the Company and includes a joint, assistant or deputy secretary and any other person appointed by the Board to perform any of the duties of the secretary;

“**Securities Seal**” means an official seal kept by the Company for sealing securities issued by the Company or for sealing documents creating or evidencing securities so issued, as permitted by the Companies Acts;

“**share**” means a share in the capital of the Company but shall not include the Redeemable Shares;

“**Takeover Panel**” the UK Panel on Takeovers and Mergers;

“**Transfer Office**” means the place where the Register is situated;

“**uncertificated securities rules**” means any provision of the Companies Acts relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision;

“**uncertificated share**” means a share which is recorded on the Register as being held in uncertificated form and title to which may, by virtue of the uncertificated securities rules, be transferred by means of a relevant system and references in these Articles to a share being in, or being held in, uncertificated form shall be construed accordingly;

“**United Kingdom**” means Great Britain and Northern Ireland;

“**working day**” has the meaning given in section 1173 of the Act; and

“**year**” means calendar year.

2.2 In these Articles, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa, words importing one gender include all genders and words denoting persons include bodies corporate and unincorporated associations;
- (b) the expressions “**electronic form**”, “**electronic means**” and “**hard copy form**” have the meanings given in section 1168 of the Act;
- (c) the expressions “**Operator**”, “**Operator-instruction**”, “**Operator register of securities**”, “**participating security**” and “**relevant system**” have the meanings given in the uncertificated securities rules;
- (d) references to a document being “**executed**” or “**signed**” include references to its being executed or signed under hand or under seal or by any other method and, in the case of a document in electronic form, such references are to its being authenticated as specified in section 1146 of the Act; and
- (e) references to “**writing**” include references to any method or combination of methods of representing or reproducing words, symbols or other information in a legible and non-transitory form (including in electronic form) and “**written**” shall be construed accordingly.

2.3 Unless the context otherwise requires, any word or expression contained in these Articles which is not defined in this Article 2 but is defined in the Companies Acts shall have the same meaning as in the Companies Acts but excluding any statutory modification of that meaning not in force at the date of adoption of these Articles.

2.4 A reference in these Articles to any statute or any order, regulation or other subordinate legislation made under it or to any provision of any statute or of any such order, regulation or other subordinate legislation shall, unless the context otherwise requires, include any modification or re-enactment thereof for the time being in force.

- 2.5 The headings in these Articles are included for convenience only and do not affect the construction of these Articles.
- 2.6 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

### **LIABILITY OF MEMBERS**

#### **3. LIMITED LIABILITY**

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

### **CHANGE OF NAME AND REGISTERED OFFICE**

#### **4. CHANGE OF NAME**

The Company may change its name by resolution of the Board.

#### **5. REGISTERED OFFICE**

The Office is to be situated in England and Wales.

### **SHARE CAPITAL**

#### **6. POWER TO ATTACH RIGHTS**

Subject to the Companies Acts and to any rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by ordinary resolution determine or, in the absence of any such determination, as the Board may determine.

#### **7. ALLOTMENT**

Subject to the Companies Acts and to the provisions of these Articles and to any resolution of the Company and without prejudice to any rights attached to any existing shares, the Board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any new shares or grant rights to subscribe for or convert any security into shares to such persons, at such times and generally on such terms as the Board may determine.

#### **8. RENUNCIATION OF ALLOTMENT**

The Board may, at any time after the allotment of any share but before any person has been entered in the Register as the holder, recognise a renunciation of that allotment by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation on and subject to such terms and conditions as the Board may think fit to impose.

## **9. REDEEMABLE SHARES**

Subject to the Companies Acts and to any rights attached to existing shares, any share may be issued which can be redeemed or is liable to be redeemed at the option of the Company or the holder. The Board may determine the terms, conditions and manner of redemption of any redeemable shares which are issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these Articles.

## **10. POWER TO PAY COMMISSION AND BROKERAGE**

10.1 The Company may exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts.

10.2 Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares or other securities, the grant of an option to call for an allotment of shares or other securities or any combination of such methods.

## **11. TRUSTS NOT RECOGNISED**

Except as ordered by a court of competent jurisdiction or as required by law:

- (a) no person shall be recognised by the Company as holding any share on any trust; and
- (b) the Company shall not be bound by or required in any way to recognise (even if it has notice of it) any equitable, contingent, future, partial or other claim to or interest in any share other than an absolute right in the holder to the whole of the share.

## **VARIATION OF RIGHTS**

### **12. MANNER OF VARIATION OF RIGHTS**

12.1 Subject to the provisions of the Companies Acts, if at any time the share capital of the Company is divided into shares of different classes, all or any of the rights attached to any class may be varied, either while the Company is a going concern or during or in contemplation of a winding up:

- (a) in such manner (if any) as may be provided by those rights; or
- (b) in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the authority of a special resolution passed at a separate meeting of the holders of the issued shares of that class duly convened and validly held in accordance with the provisions of these Articles,

but not otherwise.

12.2 The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied or abrogated by the creation or issue of any new shares ranking pari passu with or subsequent to them or by the purchase or redemption by the Company of any of its own shares.

### **13. CLASS MEETINGS**

13.1 All the provisions of these Articles relating to general meetings shall, with any necessary modifications, apply to every separate meeting of the holders of any class of shares except that:

- (a) no member, other than a Director, shall be entitled to notice of, or to attend, any such meeting unless he is a holder of shares of the relevant class;
- (b) the quorum at any such meeting (other than an adjourned meeting) shall be not less than two persons entitled to vote and holding or representing by proxy at least one third in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares);
- (c) the quorum at any adjourned meeting shall be one person holding shares of the relevant class who is present in person or by proxy and entitled to vote (whatever the number of shares held by him);
- (d) any holder of shares of the relevant class who is present in person or by proxy and entitled to vote may demand a poll; and
- (e) on a poll, each such holder shall have one vote for every share of the relevant class held by him.

13.2 The Board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation of class rights.

## **ALTERATION OF SHARE CAPITAL**

### **14. SUB-DIVISION**

Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

### **15. FRACTIONS**

15.1 Subject to any direction by ordinary resolution of the Company, whenever as the result of a consolidation or sub-division of shares, any members would become entitled to fractions of a share, the Board may:

- (a) deal with the fractions as it thinks fit and, in particular, may arrange for the sale of the shares representing the fractions to which any members would otherwise become entitled to any person (including, subject to the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members except that any amount otherwise due to a member of less than £3 (or such other sum as the Board may from time to time determine) may be retained for the benefit of the Company or distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland. For the purpose of any such sale, the Board may:
- (i) if the shares to be sold are in certificated form, authorise any person to sign an instrument of transfer of the shares; or
  - (ii) if the shares to be sold are in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the shares,
- in either case, in accordance with the directions of the purchaser and may cause the name of the transferee to be entered in the Register as the holder of the shares which have been sold. The transferee shall not be bound to see to the application of the purchase monies nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale; or
- (b) subject to the provisions of the Companies Acts, issue to each such member credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected immediately before consolidation). The amount required to pay up such shares shall be appropriated, at the Board's discretion, from any sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of the profit and loss account or retained earnings and capitalised by applying the same in paying up such shares. In relation to such capitalisation, the Board may exercise all the powers conferred on it by Article 142 without an ordinary resolution of the Company.

## **UNCERTIFICATED SHARES**

### **16. SHARES IN UNCERTIFICATED FORM**

- 16.1 Subject to the uncertificated securities rules and to the facilities and requirements of the relevant system concerned, the Board may determine that shares of any class may be held in uncertificated form and that title to such shares may be transferred by means of a relevant system and the Board may make arrangements for any class of shares to be held and transferred in this form. The Board may also, subject to compliance with the uncertificated securities rules, determine at any time that any class of shares shall cease to be held and transferred in uncertificated form.
- 16.2 In accordance with and subject to the uncertificated securities rules, shares held in uncertificated form may be changed to become certificated shares and shares held in certificated form may be changed to become uncertificated shares.

16.3 No provision of these Articles shall apply to shares of any class held in uncertificated form to the extent that it is in any respect inconsistent with:

- (a) the holding of shares of that class in uncertificated form; or
- (b) the transfer of title to shares of that class by means of a relevant system; or
- (c) any provision of the uncertificated securities rules,

and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of shares held in uncertificated form.

16.4 Where shares of any class are a participating security and the Company is entitled under any provision of the Companies Acts, the uncertificated securities rules or these Articles to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the provisions of the Companies Acts, the uncertificated securities rules, these Articles and the facilities and requirements of the relevant system:

- (a) to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form for so long as required by the Company;
- (b) to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;
- (c) to require the holder of that uncertificated share by notice to appoint any person to take any step (including without limitation the giving of any instructions by means of the relevant system) necessary to transfer that share within the period specified in the notice; and
- (d) to take any action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien over that share.

16.5 Unless the Board otherwise determines, shares held by a member in uncertificated form will be treated as a separate holding from any shares held by that member in certificated form. However, shares held in uncertificated form shall not be treated as forming a class which is separate from certificated shares with the same rights.

16.6 Unless the Board otherwise determines or the uncertificated securities rules otherwise require:

- (a) any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares; and

- (b) any shares issued or created out of or in respect of any certificated shares shall be certificated shares.
- 16.7 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption. In particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

## **SHARE CERTIFICATES**

### **17. ENTITLEMENT TO SHARE CERTIFICATES**

- 17.1 Subject to these Articles, every person (except a person to whom the Company is not by law required to issue a certificate) whose name is entered in the Register as the holder of any certificated shares shall be entitled, without payment, to one certificate for those shares or, in the case of certificated shares of more than one class, to one certificate for each class of those shares. Any such certificate shall be despatched to the person so entitled within the time limits prescribed by the Companies Acts (or, if earlier, within any prescribed time limit or within a time specified when the shares were issued).
- 17.2 A member who transfers some only of the shares represented by a share certificate shall be entitled, without payment, to a new certificate for the balance to the extent that the balance is to be held in certificated form.
- 17.3 The Company shall not be bound to issue more than one certificate in respect of certificated shares held jointly by more than one person. Delivery of a certificate to any one joint holder shall be sufficient delivery to all joint holders.
- 17.4 The Company shall not be required to issue a share certificate to a financial institution (within the meaning of section 778 of the Act).
- 17.5 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

### **18. FORM OF SHARE CERTIFICATE**

- 18.1 Every share certificate shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon.



18.2 Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, under an official seal for use in the relevant territory) or in such other manner as the Board may approve. Whether or not share certificates are issued under the Seal, the Board may determine that any signatures on share certificates need not be autographic but may be affixed by some method or system of mechanic or electronic signature or that certificates need not be signed by any person.

18.3 No certificate shall be issued representing shares of more than one class.

## **19. REPLACEMENT SHARE CERTIFICATES**

19.1 Any two or more share certificates representing certificated shares of any one class held by any member shall at his request be cancelled and a single new certificate for such shares issued in lieu on surrender of the original certificates for cancellation.

19.2 If any member shall surrender for cancellation a share certificate representing certificated shares held by him and request the Company to issue in lieu two or more new certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request.

19.3 If a share certificate is damaged, defaced, worn out 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 surrender of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence, indemnity and security for such indemnity as the Board may determine.

19.4 The Board may require the payment of any exceptional out-of-pocket expenses of the Company incurred in connection with the issue of any new share certificates under this Article 19 (including, in the case of a request for a new certificate under Article 19.3, expenses incurred by the Company in its investigation of the evidence and the preparation of any indemnity and security).

19.5 In the case of shares held jointly by more than one person, any such request as is mentioned in this Article 19 may be made by any one of the joint holders.

## **LIEN ON SHARES**

### **20. COMPANY'S LIEN ON SHARES NOT FULLY PAID**

The Company shall have a first and paramount lien on every share which is not fully paid for all amounts payable (whether presently or not) in respect of that share. The Company's lien on a share shall extend to all amounts (including without limitation dividends) payable in respect of it. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or partly exempt from the provisions of this Article.

### **21. SALE OF SHARES SUBJECT TO LIEN**

21.1 The Company may sell, in such manner as the Board may determine, any share on which the Company has a lien if:

- (a) a sum in respect of which the lien exists is presently payable;
- (b) notice has been sent to the holder of the share (or any person entitled to the share by transmission) stating the amount due, demanding payment and stating that if the notice is not complied with the share may be sold; and
- (c) such payment is not made within 14 clear days after service of such notice.

21.2 To give effect to any such sale, the Board may:

- (a) if the share is held in certificated form, authorise any person to sign as transferor an instrument of transfer of the share; or
- (b) if the share is held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the share (including the exercise any of the Company's powers under Article 16.4),

in either case, to or in accordance with the directions of the purchaser and may cause the name of the purchaser to be entered in the Register as the holder of the share which has been sold. The purchaser shall not be bound to see to the application of the purchase monies nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

## **22. APPLICATION OF PROCEEDS OF SALE**

The net proceeds of the sale shall, after payment of the costs of sale, be applied in or towards payment or satisfaction of the amount in respect of which the lien exists so far as the same is presently payable. The balance (if any) shall (subject to a like lien for any amounts not presently payable as existed on the share before the sale) be paid to the person entitled to the share immediately before the sale (without interest) provided that, in the case of certificated shares, the Company shall not be obliged to make any such payment until the certificate representing the share sold has been surrendered to the Company for cancellation (or, if the certificate is alleged to have been lost, stolen or destroyed, until an indemnity and security for such indemnity have been provided to the Company in such form as the Board may require).

## **CALLS ON SHARES**

### **23. POWER TO MAKE CALLS**

- 23.1 Subject to the terms on which the shares are allotted, the Board may from time to time make calls on the members in respect of any monies unpaid on their shares (whether in respect of nominal value or any premium) and not payable on a date fixed by or in accordance with the terms of allotment.
- 23.2 A call may be required to be paid by instalments.
- 23.3 At any time before receipt by the Company of any sum due under a call, the call may be revoked or the time for payment postponed in whole or in part as regards all or any of the members on whom the call was made as the Board may determine.

- 23.4 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed or, where the power to make calls has been delegated pursuant to these Articles, at the time when the person to whom the power has been delegated serves notice of exercise of such power.

#### **24. LIABILITY FOR CALLS**

- 24.1 Each member shall (subject to being given at least 14 clear days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.
- 24.2 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share.
- 24.3 A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which the call was made are subsequently transferred.

#### **25. INTEREST ON OVERDUE AMOUNTS**

- 25.1 If a sum called in respect of a share is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay:
- (a) interest on the unpaid amount from (and including) the day appointed for payment until (but excluding) the date of actual payment at the rate determined by the terms of allotment of the share or in the notice of the call or, if no rate is so determined, at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the Board may determine; and
  - (b) all costs, charges and expenses incurred by the Company by reason of such non-payment.
- 25.2 The Board may, in any case or cases, waive payment of such interest, costs, charges and expenses in whole or in part.

#### **26. DEEMED CALLS**

An amount payable in respect of a share on allotment or at any date fixed by or in accordance with the terms of allotment, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and notified and payable on the date fixed for payment. If it is not paid, the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

#### **27. POWER TO DIFFERENTIATE BETWEEN HOLDERS**

The Board may, on the allotment of shares, make different arrangements, as between the allottees or holders of such shares, in the amount and time of payment of calls.

**28. PAYMENT OF CALLS IN ADVANCE**

- 28.1 The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the monies uncalled and unpaid on any share held by him. Such payment in advance of calls shall extinguish the liability on the share in respect of which it is made to the extent of the amount so paid.
- 28.2 The Company may pay on all or any of the monies so advanced (until they would but for such advance become payable) interest at such rate (not exceeding the Bank of England base rate by more than five percentage points without the sanction of the Company given by ordinary resolution) as may be agreed between the member and the Board.
- 28.3 No monies paid in advance of calls shall be taken into account in ascertaining the amount of any dividend payable on any share in respect of which such advance has been made.

**29. DELEGATION OF POWER TO MAKE CALLS**

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate on such terms as it thinks fit 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 recovery of monies becoming due in respect of calls so made and to give valid receipts for such monies. 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.

**FORFEITURE**

**30. NOTICE ON FAILURE TO PAY A CALL**

If a call or an instalment of a call remains unpaid in whole or in part after it has become due and payable, the Board may at any time give notice to the person from whom it is due demanding payment of the amount unpaid together with any interest which may have accrued on that amount and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall state:

- (a) a date (being not less than 14 clear days from the date of the notice) on or before which payment of the amount demanded by the notice is to be made;
- (b) the place where payment is to be made; and
- (c) that, in the event of non-payment in accordance with the notice, the shares in respect of which the call was made will be liable to be forfeited.

### **31. FORFEITURE FOR NON-COMPLIANCE**

- 31.1 If the notice referred to in Article 30 is not complied with, any share in respect of which the notice was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect and the forfeiture shall be deemed to occur at the time of the passing of such resolution. The forfeiture shall include all dividends declared and other monies payable in respect of the forfeited share which have not been paid before the forfeiture.
- 31.2 When a share has been forfeited, notice of the forfeiture shall be sent to the person who was, before the forfeiture, the holder of the share (or the person, if any, entitled to the share by transmission). An entry that notice of the forfeiture has been given, that the share has been forfeited and the date of the forfeiture, shall be made in the Register opposite the entry in respect of the share. No forfeiture shall be invalidated by any omission or neglect to send such notice or make such entry as aforesaid.

### **32. DISPOSAL OF FORFEITED SHARE**

- 32.1 Until cancelled in accordance with the Companies Acts, a forfeited share, together with all rights attaching to it, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board shall determine, either to the person who was, before the forfeiture, the holder thereof (or the person, if any, entitled by transmission to the share) or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up.
- 32.2 The Board may, at any time before any forfeited share has been cancelled, sold, re-allotted or otherwise disposed of, annul the forfeiture on such terms as the Board thinks fit.
- 32.3 Where for the purposes of its disposal a forfeited share is to be transferred to any person, the Board may:
- (a) if the share is held in certificated form, authorise any person to sign as transferor an instrument of transfer of the share; or
  - (b) if the share is held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the share (including the exercise any of the Company's powers under Article 16.4).
- 32.4 The Company may receive the subscription or purchase monies (if any) given for a forfeited share on its sale, re-allotment or disposal and may register the allottee or (as the case may be) the transferee as the holder of the share.

### **33. EFFECT OF FORFEITURE**

A person whose shares have been forfeited shall cease to be a member in respect of such shares and shall, in the case of shares held in certificated form, surrender to the Company for cancellation the certificate for such shares. He shall notwithstanding the forfeiture remain liable to pay to the Company:

- (a) all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares; and
- (b) interest on such amount at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the Board may determine from (and including) the date of forfeiture to (but excluding) the date of payment.

The Board may at its absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or for any subscription or purchase monies (if any) received on their sale, re-allotment or disposal. The Board may also waive payment in whole or in part.

#### **34. EXTINCTION OF CLAIMS**

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only those rights and liabilities which are expressly saved by these Articles or which are given or imposed in the case of past members by the Companies Acts.

#### **35. EVIDENCE OF FORFEITURE**

A statutory declaration by a Director or the Secretary that a share has been duly forfeited on the 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. The declaration shall (subject, if necessary, to the signing of an instrument of transfer) constitute a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall not be bound to see to the application of the subscription or purchase monies (if any) nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

#### **36. SURRENDER**

The Board may accept the surrender of any share liable to be forfeited on and subject to such terms and conditions as the Board may determine. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited and the provisions of these Articles applicable to a forfeited share shall also apply to a surrendered share and, in such a case, references in these Articles to forfeiture shall include surrender.

### **TRANSFER OF SHARES**

#### **37. GENERAL PROVISIONS ABOUT TRANSFERS OF SHARES**

- 37.1 Subject to the provisions of these Articles, any member may transfer all or any of his shares to another person.
- 37.2 The transferor shall be deemed to remain the holder of any share transferred until the name of the transferee is entered in the Register in respect of such share.

- 37.3 No fee shall be charged by the Company for the registration of a transfer of a share or any other document relating to or affecting the title to any share or the right to transfer it or for making any other entry in the Register.

#### **38. TRANSFERS OF CERTIFICATED SHARES**

- 38.1 All transfers of certificated shares must be in writing in any usual or common form or in any other form approved by the Board and may be under hand only.
- 38.2 The instrument of transfer shall be signed by or on behalf of the transferor and, in the case of any share which is not fully paid, by or on behalf of the transferee.
- 38.3 All instruments of transfer which are registered may be retained by the Company.

#### **39. TRANSFERS OF UNCERTIFICATED SHARES**

All transfers of shares which are in uncertificated form must be made by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules.

#### **40. RIGHTS TO REFUSE REGISTRATION**

- 40.1 The Board may refuse to register the transfer of a share which is not fully paid or on which the Company has a lien provided that, in the case of a class of shares which has been admitted to the AIM market operated by London Stock Exchange plc, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
- 40.2 The Board may also refuse to register the transfer of a certificated share if:
- (a) the transfer is in respect of more than one class of share;
  - (b) the transfer is in favour of more than four persons jointly;
  - (c) the transfer is not duly stamped or is not duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty;
  - (d) the transfer is not lodged at the Transfer Office (or such other place as the Board may appoint); or
  - (e) except in the case of a transfer by a financial institution (within the meaning of section 778 of the Act) to whom a certificate has not been issued, the transfer is not accompanied by the certificate(s) for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is signed by some other person on his behalf, the authority of that person to do so).
- 40.3 The Board may also refuse to register the transfer of an uncertificated share:
- (a) in the circumstances set out in the uncertificated securities rules; or
  - (b) if the transfer is in favour of more than four persons jointly.

40.4 If the Board refuses to register a transfer of a share, the Board shall, within two months after the date on which:

- (a) the instrument of transfer was lodged with the Company (in the case of certificated shares); or
- (b) the Operator-instruction was received by the Company (in the case of uncertificated shares),

send to the transferee notice of the refusal setting out the reasons for the refusal.

#### **41. RENUNCIATION**

For all purposes of these Articles relating to the registration of transfers of shares, a renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

### **TRANSMISSION OF SHARES**

#### **42. TRANSMISSION ON DEATH**

- 42.1 If a member dies, 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 any title to his interest in the shares.
- 42.2 Nothing in these Articles shall release the estate of a deceased member (whether sole or joint) from any liability in respect of any share held by him.

#### **43. ELECTION BY PERSONS ENTITLED BY TRANSMISSION**

- 43.1 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law may, on producing to the Company such evidence as to his entitlement as the Board may properly require, elect either to become registered himself as the holder of the share or to have another person nominated by him registered as the holder of the share.
- 43.2 If he elects to become registered himself, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall:
  - (a) in the case of a share in certificated form, sign as transferor an instrument of transfer of the share to that person; and
  - (b) in the case of a share in uncertificated form, take such action as the Board may require (including the signing of any document and the giving of any instruction by means of a relevant system) to enable that person to be registered as the holder of the share.



All the provisions of these Articles relating to the transfer of shares shall apply to the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the person from whom the entitlement by transmission is derived.

- 43.3 The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the Board may after the expiry of that period withhold payment of all dividends and other monies payable in respect of such share until the requirements of the notice have been complied with.

#### **44. RIGHT OF PERSONS ENTITLED BY TRANSMISSION**

- 44.1 Where a person becomes entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled to the share may give a good discharge for any dividends and other monies payable in respect of it and shall, subject to the provisions of these Articles, have the same rights to which he would be entitled if he were the holder of the share, except that he shall not be entitled in respect thereof to receive notice of, or to exercise any right conferred by membership in relation to, meetings of the Company until he shall have been registered as the holder of the share.

### **UNTRACEABLE SHAREHOLDERS**

#### **45. POWER OF SALE**

- 45.1 The Company shall be entitled to sell, at the best price reasonably obtainable at the time of sale, the shares of a member or the shares to which a person is entitled by transmission if:
- (a) the shares have been in issue throughout the period of 12 years immediately preceding the date of publication of the advertisements referred to in paragraph (d) below (or, if published on different dates, the earlier of such dates) (the “**qualifying period**”);
  - (b) at least three cash dividends (whether final or interim) have become payable in respect of the shares during the qualifying period;
  - (c) during the qualifying period, no cash dividend payable in respect of the shares has been claimed and no cheque, warrant or order sent by the Company in respect of the shares has been cashed;
  - (d) the Company has caused advertisements to be published in both a national newspaper and a newspaper circulating in the area in which the last known postal address of the member or the person entitled by transmission or the postal address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the shares;

- (e) a period of three months has elapsed from the date of the publication of the advertisements referred to in paragraph (d) above (or, if published on different dates, the later of such dates); and
- (f) during the period beginning at the commencement of the qualifying period and ending on the expiry of the three month period referred to in paragraph (e) above, the Company has not received any communication from the member or person entitled by transmission.

45.2 The Company shall also be entitled to sell, at the best price reasonably obtainable at the time of sale, any additional share issued during the qualifying period in right of any share to which Article 45.1 applies (or in right of any share so issued) if the requirements of paragraphs (c) to (f) of Article 45.1 are satisfied in relation to the additional share (but as if references to the qualifying period were references to a period beginning on the date of allotment of the additional share and ending on the date of publication of the advertisements referred to in paragraph (d) of Article 45.1 (or, if published on different dates, the earlier of such dates)).

45.3 To give effect to any such sale, the Board may:

- (a) if the share is held in certificated form, authorise any person to sign as transferor an instrument of transfer of the share to, or in accordance with the directions of, the purchaser and such transfer shall be as effective as if it had been signed by the holder or the person entitled by transmission to the share;
- (b) if the share is held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the share to, or in accordance with the directions of, the purchaser and such action shall be as effective as if it had been done by the holder or the person entitled by transmission to the share,

and, in each case, may cause the name of the transferee to be entered in the Register as the holder of the share which has been sold. The transferee shall not be bound to see to the application of the purchase monies nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

#### **46. APPLICATION OF PROCEEDS OF SALE**

The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled to such shares for an amount equal to such proceeds. The Company shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt nor shall any interest be payable in respect thereof. The Company shall not be required to account for any money earned on the net proceeds of sale, which may be employed in the Company's business or invested in such investments as the Board may from time to time think fit.

## SUSPENSION OF RIGHTS ATTACHING TO SHARES

### 47. SUSPENSION OF RIGHTS WHERE NON DISCLOSURE OF INTEREST

47.1 If any member, or any other person appearing to be interested in shares held by that member, has been duly served with a notice under section 793 of the Act (a “**section 793 notice**”) and is in default for a period of 14 days from the date of service of the section 793 notice in supplying to the Company the information thereby required, then (unless the Board otherwise determines):

- (a) the member shall not (for so long as the default continues) be entitled to attend or vote either personally or by representative or proxy at a meeting of the Company or to exercise any other right conferred by membership in relation to meetings of the Company as the holder of:
  - (i) the shares in relation to which the default occurred and any further shares which are issued after the date of the section 793 notice in respect of such shares (together the “**default shares**”); and
  - (ii) any other shares held by the member; and
- (b) the restrictions set out in paragraph (a) above shall also apply to any person to whom any of such shares are transferred unless the transfer is an approved transfer or a transfer permitted under Article 47.2(b).

47.2 Where the default shares represent 0.25 per cent. or more in nominal value of the issued shares of any class of shares of the Company (excluding any shares of that class held as treasury shares), the Board may in its absolute discretion by notice (a “**direction notice**”) to the member direct that:

- (a) any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest thereon when such dividend or other money is finally paid to the member and the member shall not be entitled to elect to receive shares in lieu of dividend; and/or
- (b) no transfer of any shares held by the member (other than an approved transfer) shall be registered unless the member is not himself in default as regards supplying the information required and:
  - (i) the transfer is of part only of the member’s holding; and
  - (ii) when presented for registration, the transfer is accompanied by a certificate by the member in a form satisfactory to the Board to the effect that after due and careful enquiry the member is satisfied that none of the shares included in the transfer are default shares,

provided that, in the case of shares in uncertificated form, the Board may only exercise its discretion not to register a transfer if permitted to do so by the uncertificated securities rules.

Upon the giving of a direction notice, its terms shall apply accordingly.

- 47.3 A direction notice may treat shares held by 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.
- 47.4 The Company shall send a copy of the direction notice to each other person appearing to be interested in the shares the subject of the notice, but the failure or omission by the Company to do so shall not invalidate such notice.
- 47.5 Any direction notice shall cease to have effect in relation to any shares:
- (a) if the shares are transferred by means of an approved transfer or a transfer permitted under Article 47.2(b), but only in relation to the shares transferred; and
  - (b) seven days (or such shorter period as the Board may determine) after the date on which the Company receives, to the satisfaction of the Board, all the information required by the relevant section 793 notice.
- 47.6 The Board may at any time give notice cancelling a direction notice (in whole or in part) or suspending (in whole or in part) the operation of the sanctions contained in a direction notice for a stated period.
- 47.7 For the purposes of this Article 47:
- (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if:
    - (i) the member has informed the Company that the person is, or may be, so interested; or
    - (ii) the Company (after taking into account any information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
  - (b) “**interested**” shall be construed in the same way as it is for the purpose of section 793 of the Act;
  - (c) reference to a person having failed to give the Company the information required by a section 793 notice or being in default as regards supplying such information includes reference to:
    - (i) his having failed or refused to give all or any part of such information; and
    - (ii) his having given information which he knows to be false in a material particular or his having recklessly given information which is false in a material particular;
  - (d) a transfer of shares is an “**approved transfer**” if:

- (i) it is a transfer pursuant to an acceptance of a takeover offer (within the meaning of section 974 of the Act); or
- (ii) the transfer results from a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
- (iii) the Board is satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares the subject of the transfer to a party unconnected with the member or with any person appearing to be interested in such shares (and, for this purpose, any associate (as defined in section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares).

47.8 The provisions of this Article 47 are in addition and without prejudice to the provisions of the Companies Acts.

## **GENERAL MEETINGS**

### **48. ANNUAL GENERAL MEETINGS AND OTHER GENERAL MEETINGS**

48.1 The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall determine.

48.2 All general meetings of the Company other than annual general meetings shall be called general meetings.

### **49. CONVENING GENERAL MEETINGS**

49.1 The Board may convene a general meeting whenever it thinks fit.

49.2 On the requisition of members pursuant to the provisions of the Companies Acts, the Board shall promptly proceed to convene a meeting in accordance with the requirements of the Companies Acts.

49.3 A general meeting may also be convened in accordance with Article 95.

## **NOTICE OF GENERAL MEETINGS**

### **50. NOTICE OF GENERAL MEETINGS**

50.1 An annual general meeting and all other general meetings shall be called by at least such minimum period of notice as is prescribed or permitted under the Companies Acts.

50.2 Every notice of a general meeting shall specify:

- (a) the place of the meeting and the time and date of the meeting;

- (b) in the case of an annual general meeting, that the meeting is an annual general meeting;
- (c) the general nature of the business to be transacted at the meeting;
- (d) if the meeting is to consider a special resolution, the intention to propose the resolution as a special resolution; and
- (e) with reasonable prominence, that 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 the meeting, that a member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him and that a proxy need not be a member.

50.3 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 notice.

50.4 The notice of a general meeting shall be given to the members (other than any members who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and to the Auditors.

## **51. ACCIDENTAL OMISSION TO GIVE NOTICE**

The accidental omission to give notice of a general meeting or to send or supply any document or information relating to the meeting to, or the non receipt of any such notice, document or information by, any person entitled to receive the same, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at that meeting.

## **52. POSTPONEMENT OF GENERAL MEETINGS**

52.1 If, after the sending of a notice of a general meeting but before the meeting is held or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board in its absolute discretion considers that it is impractical or undesirable for any reason to hold the general meeting on the date or at the time or place specified in the notice calling the meeting, it may postpone the general meeting to another time and/or date and/or change the place of the meeting to another place. If the Board decides to do so, it may then postpone the time of the meeting and/or change the place of the meeting again if it considers that any such further postponement or change is reasonably necessary or desirable.

52.2 The Board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. Where a meeting is so rearranged, notice of the date, time and place of the rearranged meeting shall, if practicable, also be placed in at least one national newspaper in the United Kingdom. Notice of the business to be transacted at the rearranged meeting shall not be required.

- 52.3 If a meeting is postponed or moved in accordance with this Article 52, the appointment of a proxy will be valid if it is received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **53. QUORUM**

- 53.1 No business shall be transacted at any general meeting unless a quorum is present. The absence of a quorum shall not preclude the appointment of a chairman of the meeting in accordance with the provisions of these Articles which shall not be treated as part of the business of the meeting.
- 53.2 The quorum for a general meeting shall, for all purposes, be two members present in person or by proxy and entitled to vote on the business to be transacted at the meeting.

### **54. PROCEDURE IF QUORUM NOT PRESENT**

- 54.1 If a quorum is not present within fifteen minutes (or such longer interval as the chairman of the meeting may in his absolute discretion think fit to allow) from the time appointed for the commencement of a general meeting or if, during a meeting, a quorum ceases to be present, the meeting, if convened by or on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to such date, time and place as the chairman of the meeting (or, in default, the Board) may determine.
- 54.2 If at the adjourned meeting a quorum is not present within fifteen minutes (or such longer interval as the chairman of the meeting may in his absolute discretion think fit to allow) from the time appointed for the commencement of the meeting or if, during the adjourned meeting, a quorum ceases to be present, the adjourned meeting shall be dissolved.

### **55. CHAIRMAN**

- 55.1 The chairman of the Board or, in his absence, any deputy chairman of the Board or, in his absence, some other Director nominated by the Board shall preside as chairman at every general meeting.
- 55.2 If neither the chairman nor any deputy chairman nor such other Director (if any) is present within ten minutes after the time appointed for the commencement of the meeting or if none of such persons is willing to act as chairman of the meeting, the Directors present shall choose one of their number to be chairman of the meeting. If only one Director is present and he is willing to act, he shall be chairman of the meeting. If no Director is willing to act as chairman or if no Director is present within ten minutes after the time appointed for the commencement of the meeting, the members present in person or by proxy and entitled to vote shall choose one of their number to be chairman of the meeting.
- 55.3 The chairman of the meeting presiding pursuant to the provisions of this Article 55 may, at any time during a general meeting, nominate any Director to be the chairman of the meeting for the remainder of or for any part of the meeting.

55.4 The decision of the chairman of the meeting, made in good faith, on points of order or matters of procedure or points or matters arising incidentally out of the business of the meeting shall be final and conclusive as shall be his determination, acting in good faith, whether any point or matter is of such a nature.

**56. ENTITLEMENT TO ATTEND AND SPEAK**

56.1 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and any separate meeting of the holders of any class of shares of the Company, whether or not he is a member.

56.2 The chairman may invite any person to attend and speak at any meeting of the Company where he considers this will assist in the deliberations of the meeting.

**57. POWER TO ADJOURN**

57.1 The chairman of the meeting may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting to another date, time and/or place or for an indefinite period.

57.2 Without prejudice to any other power which he may have under these Articles or by law, 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) to another date, time and/or place or for an indefinite period if it appears to him that:

- (a) the members wishing to attend cannot conveniently be accommodated in the place appointed for the meeting; or
- (b) the conduct of persons present prevents or is likely to prevent the proper and orderly conduct of the meeting; or
- (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

**58. NOTICE OF ADJOURNED MEETING**

58.1 Whenever a meeting is adjourned for 14 days or more or for an indefinite period, not less than seven clear days notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting. Such notice shall specify the date, time and place of the adjourned meeting and the general nature of the business to be transacted at the adjourned meeting.

58.2 Save where expressly required by these Articles, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

58.3 No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting from which the adjournment took place.



## **59. OVERFLOW ARRANGEMENTS**

If it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that each such member who is unable to be accommodated is able:

- (a) to participate in the business for which the meeting has been convened;
- (b) to see and hear all persons who speak (whether through the use of microphones, loud-speakers, audio-visual communication equipment or otherwise), whether in the place of the meeting or elsewhere; and
- (c) to be seen and heard by all other persons present (whether in the place of the meeting or elsewhere) in the same manner.

For this purpose, the right of a member to participate in the business of any general meeting shall include, without limitation, the right to speak, vote on a show of hands, vote on a poll, be represented by a proxy and have access to all documents which are required by the Companies Acts or these Articles to be made available at the meeting.

## **60. SECURITY ARRANGEMENTS**

60.1 The Board (and, at any general meeting, the chairman) may make such arrangements and impose such requirements and restrictions which it (or he) considers appropriate to ensure the safety and security of those attending any general meeting and the proper and orderly conduct of the meeting including without limitation:

- (a) requirements that those attending the meeting should produce evidence of identity or should submit to searches or other security arrangements; and
- (b) the restriction of items which may be taken into the meeting place.

60.2 The Board (and, at any general meeting, the chairman) shall be entitled to refuse entry to the meeting to, or to arrange the removal from the meeting of, any person who refuses to cooperate or comply with any such arrangements, requirements or restrictions or who disrupts the proper and orderly conduct of the meeting.

## **VOTING AND POLLS**

### **61. METHOD OF VOTING**

61.1 At all general meetings, resolutions shall be put to the vote of the meeting by the chairman of the meeting and there shall be no requirement for the resolution to be proposed or seconded by any person.

61.2 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before the show of hands or before or immediately following the declaration of the result of the vote on a show of hands) a poll is duly demanded.

- 61.3 Subject to the provisions of the Companies Acts, a poll may be demanded by:
- (a) the chairman of the meeting; or
  - (b) not less than five members present in person or by proxy and entitled to vote on the resolution; or
  - (c) a member or members present in person or by proxy and representing not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to shares held as treasury shares); or
  - (d) a member or members present in person or by proxy and holding shares conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than 10 per cent. of the total sum paid up on all the shares conferring that right (excluding any shares held as treasury shares).

**62. CHAIRMAN'S DECLARATION CONCLUSIVE ON A SHOW OF HANDS**

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution on a show of hands has been carried, or carried unanimously or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

**63. OBJECTION TO OR ERROR IN VOTING**

No objection shall be raised as to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered or at which the error occurs. Any objection made in due time shall be referred to the chairman of the meeting and shall only affect the result of the voting if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman of the meeting in this regard shall be final and conclusive.

**64. AMENDMENTS TO RESOLUTIONS**

- 64.1 No amendment to a resolution duly proposed as a special resolution (other than an amendment to correct a patent error) may be considered or voted on in any circumstances.
- 64.2 No amendment to a resolution duly proposed as an ordinary resolution (other than an amendment to correct a patent error) may be considered or voted on unless either:

- (a) at least two working days before the date of the meeting or adjourned meeting at which the ordinary resolution is to be proposed written notice of the terms of the amendment and intention to propose it has been received in hard copy form at the Office or at such other place as may be specified by the Company for that purpose or received in electronic form at such address (if any) for the time being specified by the Company for that purpose; or
  - (b) the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.
- 64.3 If an amendment proposed to any resolution under consideration is in good faith 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.
- 64.4 With the consent of the chairman of the meeting, an amendment proposed to any resolution may be withdrawn by its proposer before it is voted on.

## **65. PROCEDURE ON A POLL**

- 65.1 If a poll is duly demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets or electronic means) as the chairman of the meeting may direct. He may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 65.2 A poll duly demanded on the election of a chairman of a meeting or on a question of adjournment shall be taken at the meeting and without adjournment. A poll duly demanded on any other question shall be taken either at the meeting or at such time (but not more than 30 days after the poll is demanded) and place as the chairman may direct.
- 65.3 No notice need be given of a poll not taken immediately if the date, time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the date, time and place at which the poll is to be taken.
- 65.4 The demand for a poll (other than on the election of the chairman of the meeting or on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is withdrawn, the meeting shall continue as if the demand had not been made.
- 65.5 A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made, which result shall be effective.
- 65.6 On a poll, votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes on the poll, use all his votes or cast all the votes he uses in the same way.

## **66. VOTES OF MEMBERS**

- 66.1 Subject to any rights or restrictions as to voting attached to any shares or any class of shares and to any suspension or abrogation of voting rights pursuant to these Articles, at any general meeting:
- (a) on a show of hands every member who is present in person and every proxy present who has been duly appointed by a member entitled to vote on the resolution shall have one vote; and
  - (b) on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.
- 66.2 For the purposes of determining which persons may attend and vote at a general meeting and the number of votes which each such person may cast, the Company may specify in the notice of meeting a time by which persons must be entered on the Register in order to be entitled to attend and vote at the meeting. This time must not be more than 48 hours (excluding non-working days) before the time appointed for the commencement of the meeting. Changes to the Register after the time so specified shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 66.3 The Company shall not be entitled to exercise any voting rights, whether on a show of hands or on a poll, in respect of any shares held by it as treasury shares.
- 66.4 In the case of joint holders of a share, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the joint holders stand in the Register.
- 66.5 A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person (by whatever name called) authorised for that purpose by that court or official. Any such guardian, receiver, curator bonis or other person may vote by proxy. The right to vote shall be exercisable only if evidence satisfactory to the Board of the authority of the person claiming to exercise the right to vote has been received by the Company by not later than the last time prescribed by these Articles for the receipt of appointments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

## **67. RESTRICTIONS ON VOTING RIGHTS**

Unless the Board otherwise determines, no member shall be entitled in respect of any share held by him to vote at any meeting of the Company, either in person or by proxy, or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

## **PROXIES AND CORPORATE REPRESENTATIVES**

### **68. ENTITLEMENT TO APPOINT A PROXY**

- 68.1 A member is entitled to appoint another person (whether a member or not) as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment of it or on a poll.
- 68.2 A member may appoint more than one proxy to attend on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Where a member appoints more than one proxy, the member shall:
- (a) specify the number of shares in respect of which each proxy is entitled to exercise the related votes; and
  - (b) ensure that no member is appointed to exercise the votes which any other proxy has been appointed by that member to exercise.

### **69. RIGHTS OF PROXY**

- 69.1 A proxy shall have the right to exercise all or any of the rights of his appointor (or, where more than one proxy is appointed, all or any of the rights attached to the shares in respect of which he is appointed the proxy) to attend, and to speak and vote at, a meeting of the Company.
- 69.2 The appointment of a proxy shall:
- (a) be deemed (subject to any contrary direction contained in the proxy appointment) to confer authority to demand or join in demanding a poll and to vote or abstain as the proxy thinks fit on any resolution or amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given; and
  - (b) unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

### **70. METHOD AND DELIVERY OF PROXY APPOINTMENT**

- 70.1 The appointment of a proxy shall:
- (a) be in writing in any usual form or in any other form which the Board may approve; and
  - (b) signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, executed under its common seal or signed on its behalf by a duly authorised officer or attorney or other person duly authorised in that behalf.

70.2 In order to be valid, the appointment of a proxy must:

- (a) in the case of a proxy appointment made in hard copy form, be received at the Office or at such other place as may be specified by the Company for the receipt of proxy appointments in hard copy form by the relevant time together with (if required by the Board) any authority under which the proxy appointment is made or a copy of such authority certified notarially or in some other way approved by the Board;
- (b) in the case of a proxy appointment made by electronic means, be received at the address specified by the Company for the receipt of proxy appointments made by electronic means by the relevant time. Any authority under which the proxy appointment is made or a copy of such authority certified notarially or in some other way approved by the Board must (if required by the Board) also be received at such address or at the Office (or at such other address or place as may be specified by the Company) by the relevant time.

70.3 For the purpose of Article 70.2, “**relevant time**” means:

- (a) in the case of a meeting or adjourned meeting, not less than 48 hours (or such shorter time as the Board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the proxy appointment proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours (or such shorter time as the Board may determine) before the time appointed for the taking of the poll; or
- (c) in the case of a poll taken following the conclusion of a meeting or adjourned meeting but 48 hours or less after it was demanded, before the end of the meeting at which it was demanded (or such later time as the Board may determine).

The Board may in its discretion determine that, in calculating the periods mentioned in this Article 70.3, no account shall be taken of any part of a day that is not a working day.

- 70.4 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the relevant system concerned)) and may in a similar manner permit supplements to, or amendments or revocation of, any such uncertificated proxy instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Board may treat any such uncertificated proxy instruction which purports to be, or is expressed to be, sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

## **71. VALIDITY OF PROXY APPOINTMENT**

- 71.1 An appointment of a proxy which is not received in accordance with Article 70 shall be invalid.
- 71.2 An appointment of a proxy will cease to be valid at the expiration of 12 months from the date of its receipt, save that, unless the proxy appointment itself states otherwise, it will remain valid for use at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting where the meeting was originally held within 12 months from such date.
- 71.3 When two or more valid but differing appointments of proxy are received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly received shall (regardless of its date or the date of its signature) be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which proxy appointment was last received, none of them shall be treated as valid in respect of that share.

## **72. TERMINATION OF PROXY'S AUTHORITY**

A vote cast or demand for a poll made by a proxy shall not be invalidated by the previous death or mental disorder of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of the death, mental disorder or revocation shall have been received by the Company at the Office or at such other place or address as has been specified by the Company for the receipt of appointments of proxy by not later than the last time at which a proxy appointment should have been received in order to be valid for use at the meeting or adjourned 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.

### **73. CORPORATE REPRESENTATIVES**

- 73.1 Any member which is a corporation (whether or not a company within the meaning of the Companies Acts) may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company.
- 73.2 A person so authorised shall be entitled to exercise, on behalf of the corporation, the same powers as the corporation could exercise if it were an individual member of the Company and a corporation shall, for the purposes of these Articles, be deemed to be present in person at any meeting of the Company if a person so authorised by it is present at the meeting.
- 73.3 Where a corporation authorises more than one person and more than one of them purport to exercise the power to vote on a poll in respect of the same shares:
- (a) if they purport to exercise the power in the same way, the power is treated as exercised in that way;
  - (b) if they do not purport to exercise the power in the same way, the power is treated as not exercised.
- 73.4 The Company may require any representative of a corporation to produce a certified copy of the resolution authorising him to act as such or other satisfactory evidence of his authority before permitting him to exercise his powers.

### **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

#### **74. NUMBER OF DIRECTORS**

- 74.1 Unless and until otherwise determined by the Company by ordinary resolution, there shall be no maximum number of Directors but the number of Directors shall not be less than two.
- 74.2 A Director shall not be required to hold any shares by way of qualification.

#### **75. POWER OF COMPANY TO APPOINT DIRECTORS**

Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to be a Director, either to fill a casual vacancy or as an addition to the existing Board but the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

#### **76. POWER OF BOARD TO APPOINT DIRECTORS**

- 76.1 Without prejudice to the power of the Company to appoint any person to be a Director pursuant to these Articles, the Board may at any time appoint any person who is willing to be a Director, either to fill a casual vacancy or as an addition to the existing Board but the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.



76.2 Any Director so appointed shall retire at the annual general meeting next following his appointment and shall then be eligible for re-appointment but shall not be taken into account in determining the number or identity of the Directors who are to retire by rotation at that meeting.

**77. APPOINTMENT OF EXECUTIVE DIRECTORS**

77.1 Subject to the provisions of the Companies Acts and these Articles, the Board may from time to time appoint one or more Directors to hold any employment or executive office (including that of executive chairman, chief executive or managing director) on such terms and for such period as the Board thinks fit and, without prejudice to any claim for damages for breach of any contract entered into in any particular case, the Board may at any time revoke or terminate any such appointment.

77.2 The appointment of any Director to any executive office (including that of executive chairman, chief executive or managing director) shall automatically terminate if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office expressly states otherwise.

**78. ELIGIBILITY FOR APPOINTMENT AS A DIRECTOR**

No person (other than a Director retiring in accordance with these Articles) shall be appointed or re-appointed as a Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than seven nor more than 42 days before the date appointed for the meeting, there has been given to the Company by a member (other than the person to be proposed) entitled to attend and vote at the meeting notice of his intention to propose a resolution for the appointment of that person (stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors) and a notice signed by that person of his willingness to be appointed.

**79. RESOLUTION FOR APPOINTMENT OF TWO OR MORE DIRECTORS**

A resolution for the appointment of two or more persons as Directors by a single resolution shall not be proposed at any general meeting unless an ordinary resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it. Any resolution proposed in contravention of this Article shall be void.

**80. RETIREMENT OF DIRECTORS AFTER CERTAIN PERIOD OF SERVICE**

Each Director shall retire from office at the third annual general meeting after the general meeting at which he was appointed or last re-appointed.

## **81. RETIREMENT OF DIRECTORS BY ROTATION**

- 81.1 At each annual general meeting, at least one third of the Directors who are subject to retirement by rotation shall retire from office. If their number is not three or a multiple of three, the minimum number of Directors to retire shall be the number which is nearest to but does not exceed one third. If there are fewer than three Directors who are subject to retirement by rotation, a minimum of one Director shall retire from office.
- 81.2 Any Director required to retire at an annual general meeting pursuant to Article 76.2 shall not be taken into account in determining the number or the identity of the Directors to retire by rotation at the meeting pursuant to this Article 81.
- 81.3 If the number of Directors retiring pursuant to Article 81 shall be less than the minimum number of Directors who are required to retire by rotation pursuant to Article 81.1, additional Directors up to that number shall retire. The additional Directors to retire by rotation pursuant to this Article 81.3 shall be:
- (a) first, any Director who wishes to retire and not to offer himself for re-appointment; and
  - (b) secondly, those of the other Directors subject to retirement by rotation who have been longest in office since their appointment or last re-appointment by shareholders at a general meeting and so that as between persons who were appointed or last re-appointed Directors on the same day, the Director or Directors to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 81.4 The Directors to retire by rotation at an annual general meeting pursuant to this Article 81 shall be determined, both as to number and identity, by the composition of the Board as at the date of the notice convening the annual general meeting in question and any change in the number or the identity of the Directors between that date and the close of the meeting shall be disregarded.

## **82. POSITION OF RETIRING DIRECTOR**

- 82.1 Any Director who retires at an annual general meeting may, if willing to act, be re-appointed.
- 82.2 At any annual general meeting at which a Director retires by rotation, the Company may by ordinary resolution fill the vacancy. If the Company does not do so, the retiring Director, if willing to act, shall be deemed to have been re-appointed unless:
- (a) a resolution is passed not to fill the vacancy; or
  - (b) a resolution for the re-appointment of the retiring Director is put to the meeting and lost.

- 82.3 A Director retiring at an annual general meeting shall retain office until the conclusion of the meeting or (if earlier) when a resolution is passed at that meeting to appoint another person in place of the retiring Director or when a resolution for his re appointment is put to the meeting and lost. Where a retiring Director is re-appointed or deemed to have been re-appointed, he will continue in office without break.

### **83. REMOVAL BY ORDINARY RESOLUTION**

In addition to any power of removal conferred by the Companies Acts, the Company may by ordinary resolution remove any Director from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim for damages which he may have 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 appointed or last re-appointed 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.

### **84. VACATION OF OFFICE**

84.1 The office of a Director shall be vacated if:

- (a) he resigns by notice in writing to the Company delivered to the Secretary at the Office or tendered at a meeting of the Board;
- (b) he ceases to be a Director by virtue of any provision of the Companies Acts, is removed from office pursuant to these Articles or the Companies Acts or becomes prohibited by law from acting as a Director;
- (c) he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or composition with his creditors generally or applies to the court for an interim order under the Insolvency Act 1986 in connection with a voluntary arrangement under that act;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that person has become physically or mentally incapable of acting as a director and may remain so for more than three months, or he is or has been suffering from mental or physical ill health and the Board resolves that his office be vacated;
- (e) he is absent from meetings of the Board for a period of six consecutive months without the permission of the Board during that period and the Board resolves that his office be vacated;
- (f) (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company) he is removed from office by a notice in writing addressed to him at his last known address signed by all of his co-Directors (and, for this purpose, a set of like notices each signed by one or more Directors shall be as effective as a single notice signed by the requisite number of Directors); or

- (g) in the case of any Director who holds any executive office with the Company, his appointment as such is terminated or expires and the Board resolves that his office be vacated.
- 84.2 A resolution of the Board declaring a Director to have vacated office under the terms of this Article 84 shall be conclusive as to the fact and grounds of vacation stated in the resolution.
- 84.3 If the office of a Director is vacated for whatever reason, he shall cease to be a member of any committee.

## **ALTERNATE DIRECTORS**

### **85. APPOINTMENT OF ALTERNATE DIRECTORS**

- 85.1 Each Director may appoint any person (including another Director) to be his alternate and may at his discretion remove an alternate Director so appointed. Any appointment or removal of an alternate Director must be by written notice delivered to the Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting or in any other manner approved by the Board. The appointment requires the approval of the Board unless it has been previously approved or the appointee is another Director.
- 85.2 An alternate Director must provide the particulars, and sign any form for public filing required by the Companies Acts relating to his appointment.

### **86. ALTERNATE DIRECTORS' PARTICIPATION IN BOARD MEETINGS**

- 86.1 Every alternate Director is (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him (and, if applicable, an address in relation to which electronic communications may be received by him)) entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member and, in his appointor's absence, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. Each person acting as an alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director in addition to his own vote if he is also a Director, but he shall count as only one for the purpose of determining whether a quorum is present.
- 86.2 Signature by an alternate Director of any resolution in writing of the Board or a committee of the Board will, unless the notice of his appointment provides otherwise, be as effective as signature by his appointor.

### **87. ALTERNATE DIRECTOR RESPONSIBLE FOR OWN ACTS**

Each person acting as an alternate Director will be an officer of the Company, will alone be responsible to the Company for his own acts and defaults and will not be deemed to be the agent of the Director appointing him.

**88. INTERESTS OF ALTERNATE DIRECTOR**

An alternate Director is entitled to contract and be interested in and benefit from contracts or arrangements with the Company, to be repaid expenses and to be indemnified to the same extent as if he were a Director. However, he is not entitled to receive from the Company any fees for his services as alternate, except such part (if any) of the fee payable to his appointor as such appointor may by written notice to the Company direct.

**89. REVOCATION OF ALTERNATE DIRECTOR**

An alternate Director will cease to be an alternate Director:

- (a) if his appointor revokes his appointment; or
- (b) if he resigns his office by notice in writing to the Company; or
- (c) if his appointor ceases for any reason to be a Director, provided that if any Director retires but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force; or
- (d) if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate his office.

**DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS**

**90. DIRECTORS' FEES**

90.1 The Directors (including any Director who for the time being holds any employment or executive office with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as directors of the Company such fees as the Board may determine.

90.2 Any fees payable pursuant to this Article 90 shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles and, unless otherwise determined by the Board, shall accrue from day to day.

**91. ADDITIONAL REMUNERATION**

91.1 Any Director who performs any special or extra services by arrangement with the Board which, in the opinion of the Board, are outside the scope of his ordinary duties as a director of the Company and not in his capacity as a holder of employment or executive office may be paid such additional remuneration as the Board may determine.

91.2 Such additional remuneration may be by way of lump sum, salary, commission, participation in profits or otherwise as the Board may determine.

**92. REMUNERATION OF EXECUTIVE DIRECTORS**

The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of these Articles shall be such as the Board may from time to time determine and may be either a fixed sum of money or may altogether or in part be governed by business done or profits made or otherwise determined by the Board. Any such salary or remuneration may be in addition to or in lieu of any fees payable to the Director for his services as a director of the Company pursuant to these Articles.

**93. REIMBURSEMENT OF EXPENSES**

Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as a director of the Company, including any expenses incurred in attending meetings of the Board or of any committees or general meetings or separate meetings of the holders of any class of shares of the Company.

**POWERS AND DUTIES OF DIRECTORS**

**94. GENERAL POWERS**

- 94.1 Subject to the provisions of the Companies Acts and these Articles and to any directions given by special resolution of the Company, the business and affairs of the Company shall be managed by the Board which may exercise all the powers of the Company whether relating to the management of the business or not.
- 94.2 No alteration of these Articles and no direction given by special resolution of the Company shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.
- 94.3 The general powers given by this Article 94 shall not be limited or restricted by any specific authority or power given to the Board by any other Article.

**95. POWER OF DIRECTORS IF NUMBER FALLS BELOW MINIMUM**

If the number of Directors is less than the minimum for the time being prescribed by these Articles, the remaining Director or Directors shall act only for the purpose of:

- (a) appointing an additional Director or Directors to make up such minimum; or
- (b) convening a general meeting for the purpose of making such appointment.

If there is no Director or if no Directors are able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

**96. DELEGATION TO INDIVIDUAL DIRECTORS**

The Board may delegate or entrust to and confer on any Director any of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any such powers.

**97. DELEGATION TO COMMITTEES**

97.1 The Board may delegate (with power to sub delegate) any of its powers, authorities and discretions (including all powers, authorities and discretions relating to the remuneration of or benefits conferred on the Directors or any of them) for such time, on such terms and subject to such conditions as the Board thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons provided that:

- (a) a majority of the members of the committee shall be Directors; and
- (b) no resolution of the committee shall be effective unless a majority of those present when it is passed are Directors.

The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers and discharge any such committee in whole or in part.

97.2 Where any power, authority or discretion of the Board is delegated to a committee authorised by the Board, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

97.3 The power to delegate contained in this Article 97 shall be effective in relation to the powers, authorities and discretions of the Board 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 Board or by a committee.

97.4 All committees shall, in the exercise of the powers delegated to them and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Board. Subject thereto, the proceedings of any committee shall be governed by the provisions of these Articles regulating the proceedings of the Board, so far as they are capable of applying.

**98. LOCAL AND DIVISIONAL MANAGEMENT**

98.1 The Board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any locality (whether in the United Kingdom or elsewhere) in relation to any business, and may appoint any person to be a member of any such local or divisional board, or a manager or agent, and may fix his remuneration. Any such appointment may be made for such time, on such terms and subject to such conditions as the Board thinks fit. The Board may from time to time remove any person so appointed.

98.2 The Board may delegate to any local or divisional board, manager or agent any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any such delegation may be made for such time, on such terms and subject to such conditions as the Board thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers.

98.3 Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local or divisional board or agency with two or more members shall be governed by the provisions of these Articles regulating the proceedings of the Board, so far as they are capable of applying.

## **99. AGENTS**

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration and the protection and convenience of persons dealing with the agent) and subject to such conditions as the Board thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **100. EXERCISE OF VOTING RIGHTS**

The Board may exercise or cause to be exercised the voting rights conferred by shares in any other company held or owned by the Company, or any power of appointment to be exercised by the Company, in such manner in all respects as it thinks fit (including the exercise of the voting rights or power of appointment in favour of the appointment of any Director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

## **101. PROVISION FOR EMPLOYEES**

The Board may exercise any power conferred on the Company by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

## **102. SIGNING OF CHEQUES ETC**

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 Board shall from time to time determine.



**103. OVERSEAS REGISTERS**

Subject to the provisions of the Companies Acts, the Board may exercise the powers conferred on the Company with regard to the keeping of an overseas, local or other register in any territory and may make and vary such regulations as it thinks fit regarding the keeping of any such register.

**104. OFFICES INCLUDING THE TITLE 'DIRECTOR'**

The Board may appoint any person (other than a Director) to any office or employment with the Company having a designation or title which includes the word 'director' or attach to any existing office or employment with the Company such a designation or title and may at any time terminate any such appointment or the use of such designation or title. The inclusion of the word "director" in the designation or title of the office or employment of any person shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a director of the Company for any of the purposes of the Companies Acts or these Articles. Subject as aforesaid, the powers and duties of any such person shall be determined by the Board.

**105. POWER TO BORROW**

Subject to the provisions of these Articles and of the Companies Acts, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital of the Company, and to indemnify and guarantee, and to create and 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.

**106. BORROWING LIMIT**

106.1 The Board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but, as regards subsidiary undertakings, only so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate principal amount outstanding at any time of all borrowings by the Group (exclusive of borrowings owing by one Group company to another Group company, other than amounts to be taken into account in accordance with Article 106.3) after deducting cash deposited shall not, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to three times the adjusted capital and reserves.

106.2 For the purposes of this Article 106:

- (a) “**adjusted capital and reserves**” means the aggregate of:
- (i) the amount paid up or credited as paid up on the allotted or issued share capital of the Company (including any shares held as treasury shares); and
  - (ii) the amount standing to the credit of the reserves of the Group (including any share premium account, capital redemption reserve and revaluation reserve) after adding or deducting the amount standing to the credit or debit of the Group’s profit and loss account,

all as shown in the relevant balance sheet, but after:

- (iii) making such adjustments as may be appropriate in respect of any variation in the amount of the paid up share capital and the amount of any of such reserves since the date of the relevant balance sheet and so that, for this purpose, if any proposed allotment of shares by the Company for cash has been underwritten or agreed to be subscribed, then those shares shall be deemed to have been allotted and the amount (including any premium) of the subscription monies payable in respect of those shares (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up on the date when the issue of the shares was underwritten or agreed to be subscribed (or, if the underwriting or subscription was conditional, the date on which it became unconditional);
- (iv) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings (including a variation whereby an undertaking becomes, or ceases to be, a subsidiary undertaking of the Company) since the date of the relevant balance sheet; or
- (v) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any undertaking is to become or cease to be a subsidiary undertaking of the Company, making all such adjustments as would be appropriate if such transaction had been carried into effect;
- (vi) excluding (so far as not already excluded) any amounts attributable to minority interests in subsidiary undertakings and any amounts set aside for taxation (other than deferred taxation);
- (vii) excluding the effect on the reserves of any surplus or any deficit in the funding of any retirement benefit scheme which would otherwise be reflected in accordance with any applicable accounting standards;

- (viii) deducting the amount of any distribution declared, recommended or made by a Group company to a person other than another Group company out of profits accrued up to and including the date of (and to the extent not provided for in) the relevant balance sheet;
  - (ix) deducting any amounts attributable to goodwill shown in the relevant balance sheet; and
  - (x) after making such other adjustments (if any) as the Auditors may consider appropriate;
- (b) “**borrowings**” include the following except insofar as otherwise taken into account:
- (i) the principal amount of any debenture (whether secured or unsecured) allotted or issued by a Group company (whether for cash or otherwise) owned otherwise than by a Group company;
  - (ii) the principal amount raised by any Group company by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or acceptance house (not being a Group company) but excluding acceptances relating to the purchase of goods or services in the ordinary course of trading;
  - (iii) the nominal amount of any allotted or issued and paid up share capital, and the principal amount of any debenture or other borrowings of, any person, the redemption or repayment of which is guaranteed or secured (or is the subject of an indemnity granted) by a Group company but excluding any such share capital which is owned by, and any such borrowings which are owed to, a Group company;
  - (iv) the nominal amount of any allotted or issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company owned otherwise than by a Group company;
  - (v) any fixed or minimum premium payable on final redemption or repayment of any borrowing or deemed borrowing;
  - (vi) any part of the purchase price of any movable or immovable asset acquired by a Group company, the payment of which is deferred beyond the date of completion of the transfer of the legal title to such asset or, if no such transfer is to take place by the date which is six months after the contract for purchase is entered into or (if later) becomes unconditional, beyond that date,

but shall exclude:

- (vii) borrowings by a Group company for the purpose of repaying, within six months of the borrowing, the whole or any part of any borrowings of that or another Group company, pending their application for that purpose during that period;

- (viii) borrowings by a Group company to finance a contract in respect of which any part of the price receivable under the contract by that or another Group company is guaranteed or insured by any government, governmental agency or body or by a person (not being a Group company) carrying on the business of providing credit insurance, up to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured;
  - (ix) an amount equal to the borrowings of a Group company outstanding immediately after it became a subsidiary undertaking of the Company and an amount secured on an asset immediately after it was acquired by a Group company but only until six months after the date on which the Group company became a subsidiary undertaking or, as the case may be, the asset was acquired;
  - (x) any amount payable under any hire-purchase agreement, credit sale agreement, operating lease or similar agreement which is not a finance lease;
- (c) **“cash deposited”** means an amount equal to the aggregate for the time being of all cash deposits with any bank or other person (not being a Group company), the realisable value of any certificates issued by governments and companies and other readily realisable deposits which are owned by a Group company and which would be shown as a current asset in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet save that, in the case of any such items owned by a partly-owned subsidiary undertaking of the Company, there shall be excluded the proportion of such items which corresponds to the outside interests;
- (d) **“excepted foreign currency borrowings”** means borrowings denominated or repayable in a currency other than sterling which are covered by an exchange cover scheme, forward currency contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risks associated with fluctuations in exchange rates;
- (e) **“finance lease”** means a contract between a lessor and a Group company as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by the lessee or sub-lessee;
- (f) **“Group”** means the Company and its subsidiary undertakings from time to time and **“Group company”** means any undertaking in the Group;
- (g) **“outside interests”** means, in relation to a partly-owned subsidiary undertaking of the Company, the proportion of its issued equity share capital which is not attributable, directly or indirectly, to the Company;

- (h) “**relevant balance sheet**” means the latest audited consolidated balance sheet of the Company and its subsidiary undertakings but, where the Company has no subsidiary undertakings, it means the latest audited balance sheet of the Company and, where the Company has subsidiary undertakings but there are no consolidated accounts of the Group, it means the respective latest audited balance sheets of the undertakings comprising the Group;

106.3 In the calculation of the aggregate principal amount of borrowings for the purposes of this Article 106:

- (a) in the case of borrowings by a partly-owned subsidiary undertaking of the Company and not owing to another Group company, there shall be excluded the proportion of such borrowings which corresponds to the outside interests;
- (b) in the case of borrowings by a Group company and owing to a partly-owned subsidiary undertaking of the Company, there shall be included the proportion of such borrowings which corresponds to the outside interests;
- (c) in the case of borrowings by a partly-owned subsidiary undertaking of the Company and owing to another partly-owned subsidiary undertaking of the Company, the amount of such borrowings to be included in the calculation by virtue of paragraph (b) of this Article 106.3 shall be reduced by the exclusion therefrom of the proportion of such amount which corresponds to the outside interests in the partly-owned subsidiary undertaking which is the borrower;
- (d) no amount shall be taken into account more than once in any calculation of borrowings;
- (e) any borrowings denominated or repayable, or any cash deposited, in a currency other than sterling shall:
  - (i) with the exception of excepted foreign currency borrowings, be converted into sterling at the rate of exchange in London at the close of business on the last working day before the date on which the calculation is made or, if it would result in a lower figure, at the rate of exchange in London at the close of business on the date of the relevant balance sheet and so that, for this purpose, the rate of exchange in London shall be taken as the spot rate quoted by a bank in London selected by the Board for the purchase by the Company of the currency and amount in question for sterling;
  - (ii) in the case of any excepted foreign currency borrowings, be converted into sterling at the rate of exchange applicable to such borrowings on their repayment to the extent that such rate is fixed under the exchange cover scheme or other arrangement covering such borrowings provided that, where it is not possible to determine such rate, such borrowings shall be converted into sterling on such basis as may be agreed with or determined by the Auditors or, in the absence of any such agreement or determination, in accordance with sub-paragraph (i) above.

106.4 A certificate or report by the Auditors:

- (a) as to the amount of adjusted capital and reserves or the amount of borrowings for the purpose of this Article 106; or
- (b) to the effect that the limit imposed under this Article 106 has not been or will not be exceeded or breached at any particular time or times or as a result of any particular transaction or transaction,

shall be conclusive evidence of such amount or fact.

106.5 No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the limit imposed by this Article 106 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 security given, express notice that such limit had been or would thereby be exceeded.

#### **GRATUITIES, PENSIONS AND INSURANCE FOR DIRECTORS**

### **107. PENSIONS AND GRATUITIES**

107.1 The Board:

- (a) may exercise all the powers of the Company to provide:
  - (i) pensions or other retirement or superannuation benefits;
  - (ii) death, sickness or disability benefits; and
  - (iii) other allowances, gratuities or benefits (whether or not similar to the foregoing),

(whether by insurance or otherwise) to or for any person who is or has at any time been a director or employee of the Company or of any body corporate which is or was a subsidiary undertaking or a parent undertaking of the Company or another subsidiary undertaking of a parent undertaking of the Company or otherwise associated with the Company or any such body corporate or a predecessor in business of the Company or any such body corporate and to the spouse, civil partner, surviving spouse, surviving civil partner, children, other relatives and dependants of any such person; and

- (b) for such purpose, may establish, maintain, support, subscribe and contribute to all kinds of schemes, institutions, associations, clubs, trusts and funds and pay premiums.

107.2 The Board may procure any of the foregoing matters to be done by the Company, either alone or in conjunction with any other person.

107.3 Any Director or former Director shall be entitled to receive and retain for his own benefit any benefit provided under this Article 107 and shall not be obliged to account for it to the Company.

## **108. INSURANCE**

Without prejudice to any other provision of these Articles, the Board may exercise all the powers of the Company to purchase and maintain at the expense of the Company insurance for or for the benefit of any person who is or was:

- (a) a director, officer or employee of the Company or of any other body (whether incorporated or not) which is or was a holding company or subsidiary undertaking of the Company or in which the Company or any such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or any such holding company or subsidiary undertaking is or was in any way allied or associated; or
- (b) a trustee of (or a director of a trustee of) any pension, superannuation or similar fund, trust or scheme or any employees' share scheme or other scheme or arrangement in which any employees of the Company or any other body referred to in paragraph (a) of this Article are or have been interested,

including without limitation insurance against any costs, charges, expenses, losses and liabilities suffered or incurred by any such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers and discretions or otherwise in relation to his duties, powers or offices in relation to the Company or any such other body, fund, trust, scheme or arrangement.

## **109. SHARE SCHEMES**

Without prejudice to any other provision of these Articles, the Board may, subject to the provisions of the Companies Acts, exercise all the powers of the Company:

- (a) to establish, maintain and contribute to any scheme for encouraging or facilitating the holding of shares in the Company or any connected company by or for the benefit of current or former directors of the Company or any connected company or any company otherwise allied or associated with the Company or any connected company or the spouses, civil partners, surviving spouses, surviving civil partners, children, other relatives or dependants of any such persons; and
- (b) in connection with any such scheme, to establish, maintain and contribute to a trust for the purpose of acquiring and holding shares in the Company or any connected company and to lend money to the trustees of any such trust or to any such person referred to above.

## PROCEEDINGS OF DIRECTORS

### 110. MEETINGS OF THE BOARD

- 110.1 Subject to the provisions of these Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.
- 110.2 At any time, a Director may, and the Secretary at the request of a Director shall, summon a meeting of the Board.

### 111. NOTICE OF MEETING OF THE BOARD

- 111.1 Notice of a meeting of the Board may be given to a Director personally or sent in hard copy form to him at his last known address or any other address given by him or on his behalf to the Company for this purpose or sent by electronic means to an address given by him or on his behalf to the Company for this purpose.
- 111.2 A Director absent or intending to be absent from the United Kingdom may request that notices of meetings of the Board shall during his absence be sent to him in hard copy form or by electronic means to an 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. If no such request is made, it shall not be necessary to give notice of a meeting of the Board to a Director who is absent from the United Kingdom.
- 111.3 A Director may waive the requirement that he be given notice of any meeting either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of such meeting or any business transacted at such meeting.

### 112. QUORUM

- 112.1 The quorum necessary for the transaction of business of the Board may be determined by the Board and, unless so determined at any other number, shall be two persons, each being a Director or an alternate Director.
- 112.2 A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.
- 112.3 Subject to the provisions of these Articles, any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.



### **113. CHAIRMAN OF THE BOARD**

- 113.1 The Board may appoint one of its body as chairman of the Board and, if thought fit, one or more deputy chairmen and may determine the period for which each is to hold office (and may at any time remove him or them from office). The chairman of the Board, failing whom a deputy chairman, shall preside at all meetings of the Board. If no such chairman of the Board or deputy chairman is appointed or if at any meeting neither the chairman of the Board nor a deputy chairman is present within 15 minutes after the time appointed for the commencement of the meeting, the Directors present shall choose one of their number to be chairman of the meeting.
- 113.2 In the absence of the chairman of the Board at any meeting of the Board, if two or more deputy chairmen are present, the deputy chairman to act as chairman of the meeting shall be decided by those Directors present.
- 113.3 Any chairman of the Board or deputy chairman may also hold executive office under the Company.

### **114. VOTING**

Questions arising at any meeting of the Board 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.

### **115. PARTICIPATION BY TELEPHONE OR VIDEO CONFERENCE**

Any Director may validly participate in a meeting of the Board or a committee by means of conference telephone, video conferencing link or any other form of communications equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in the quorum and be entitled to vote. Subject to the provisions of the Companies Acts, all business transacted in such manner by the Board or a committee shall be deemed to be validly and effectively transacted at a meeting of the Board or a committee even though fewer than two Directors are physically present in the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is.

Unless he has previously obtained the consent of the chairman of the meeting, a person may not leave the meeting by disconnecting his telephone and shall conclusively be presumed to have been present and to have formed part of the quorum throughout the meeting. The meeting shall be deemed to have been validly conducted notwithstanding that a participant's telephone is accidentally disconnected during the meeting, and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected.

## **116. RESOLUTION IN WRITING**

A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than a quorum) or by all members of a committee for the time being entitled to receive notice of a meeting of that committee (and not being less than a quorum of that committee) shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board or (as the case may be) the relevant committee. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors or members of the relevant committee. The resolution need not be signed by a Director who is prohibited by these Articles from voting thereon.

## **117. VALIDITY OF PROCEEDINGS**

All acts done by, or in pursuance of a resolution of, a meeting of the Board or of a committee or by a person acting as a Director or member of a committee shall, notwithstanding that it is afterwards discovered that:

- (a) there was some defect in the appointment of any Director or member of a committee; or
- (b) any such person was disqualified from holding office or had vacated office or was not entitled to vote,

be as valid as if every such person had been duly appointed and was duly qualified and had continued to be a Director or member of a committee and had been entitled to vote.

## **DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST**

### **118. AUTHORISATION OF CONFLICTS OF INTEREST**

118.1 The Board may, subject to the quorum and voting requirements set out in this Article 118, authorise any situation or matter in which a Director (an "**Interested Director**") has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company and which would, if not so authorised, result in the Interested Director being in breach of his duty under section 175 of the Act (a "**Conflict Situation**").

118.2 An Interested Director seeking authorisation of a Conflict Situation:

- (a) must declare to the Board the nature and extent of his interest giving rise to the Conflict Situation as soon as is reasonably practicable;
- (b) must provide the Board with all such information as is necessary to enable the Board to decide whether or not to authorise the Conflict Situation together with such additional information as may be requested by the Board.

118.3 Any Director (including the Interested Director) may propose that a Conflict Situation be authorised by the Board. Any such proposal and any authorisation given by the Board shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board under the provisions of these Articles save that:

- (a) the Interested Director and any other Director with an interest in the Conflict Situation shall not count towards the quorum nor vote on any resolution giving such authorisation; and
- (b) the Interested Director and any other Director with an interest in the Conflict Situation may, if the other members of the Board so decide, be excluded from any meeting of the Board while the Conflict Situation is under consideration.

118.4 Where the Board authorises a Conflict Situation:

- (a) the Board may (whether at the time of giving the authorisation or subsequently):
  - (i) require that the Interested Director is excluded from the receipt of information and documentation, participation in discussions and/or the making of decisions (whether at meetings of the Board or otherwise) concerning the Conflict Situation or any matter in relation to which the Conflict Situation is relevant;
  - (ii) impose upon the Interested Director such other terms for the purpose of dealing with the Conflict Situation as the Board may determine;
- (b) the Interested Director will be obliged to conduct himself in accordance any terms imposed by the Board in relation to the Conflict Situation;
- (c) the Board may provide that, where the Interested Director receives (otherwise than through his position as a director of the Company) information in respect of which he owes a duty of confidentiality to a third party, he will not be obliged to disclose such information to the Company or to use or apply such information in furtherance of the interests, or otherwise in relation to the affairs, of the Company where to do so would amount to a breach of that duty;
- (d) the terms of authorisation must be recorded in writing (but the authorisation will be effective whether or not the terms are so recorded); and
- (e) the Board may revoke or vary the authorisation at any time but any such revocation or variation will not affect anything done or omitted to be done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

## **119. PERMITTED INTERESTS**

119.1 Subject to compliance with Article 119.2, a Director, notwithstanding his office:

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;

- (b) may hold any other office or place of profit with the Company (except that of auditor) in conjunction with the office of Director for such period and on such terms, including as to remuneration, as the Board may determine;
- (c) may act by himself or through a firm with which he is associated in a professional capacity for the Company or any company in which the Company is directly or indirectly interested (otherwise than as auditor) on such terms, including as to remuneration, as the Board may determine;
- (d) may be or become a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested (including by the holding of shares or other securities) in, any company promoted by the Company or in which the Company is otherwise directly or indirectly interested or as regards which the Company has any powers of appointment; and
- (e) may be or become a director of any company in which the Company is not directly or indirectly interested if, at the time of his appointment as a director of that other company, such appointment cannot reasonably be regarded as giving rise to a conflict of interest,

and no authorisation under Article 118 shall be required in respect of any such interest.

119.2 If a Director has any interest referred to in Article 119.1, he must declare the nature and extent of that interest to the Board provided always that a Director need not declare an interest:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) 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);
- (c) of which the Director is not aware or, in the case of an interest in a proposed or existing transaction or arrangement with the Company, where the Director is not aware of the transaction or arrangement in question (and, for this purpose, the Director is treated as being aware of matters of which he ought reasonably to be aware); or
- (d) if, or to the extent that, it concerns the terms of his service contract that have been or are to be considered by a meeting of the Board or a committee appointed for the purpose under these Articles.

Any declaration required by this Article 119.2 must be made as soon as is reasonably practicable and, in the case of any interest in a proposed transaction or arrangement with the Company, before the Company enters into the transaction or arrangement. If any such declaration proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

## **120. NO LIABILITY TO ACCOUNT**

A Director shall not, by reason of his office or the fiduciary relationship thereby established, be liable to account to the Company for any remuneration, profit or other benefit which he derives from any transaction or arrangement or from any office, employment, position or relationship or from any interest in any company:

- (a) the entry into, acceptance, continuance or existence of which has been authorised by the Board pursuant to Article 118 (subject, in any such case, to the terms of such authorisation); or
- (b) which he is permitted to hold or enter into by virtue of Article 119 or otherwise pursuant to these Articles,

nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of his duty under section 176 of the Act. No transaction or arrangement shall be liable to be avoided on the grounds of a Director having an interest therein (including deriving a benefit therefrom) if the interest has been authorised under Article 118 or is permitted under Article 119.

## **121. QUORUM AND VOTING REQUIREMENTS**

121.1 Save as otherwise provided in these Articles, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee concerning any transaction or arrangement in which he has a direct or indirect interest and, if he shall do so, his vote shall not be counted but this prohibition does not apply to any resolution concerning a transaction or arrangement in which his interest cannot reasonably be regarded as likely to give rise to a conflict of interest or to any resolution concerning:

- (a) the giving of any guarantee, security or indemnity to the Director or any other person in respect of:
  - (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or
  - (ii) a debt or other obligation of the Company of any of its subsidiary undertakings for which the Director has assumed responsibility (in whole or in part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;
- (b) an offer by the Company or any of its subsidiary undertakings of securities for subscription, purchase or exchange in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- (c) a transaction or arrangement in which he has an interest only by virtue of an interest or interests in shares, debentures or other securities of the Company or by reason of any other interest in or through the Company;

- (d) a transaction or arrangement concerning any other company in which he (or any person connected with him) is interested, directly or indirectly, and whether as an officer, shareholder, creditor, employee or otherwise, if he and any persons connected with him do not to his knowledge hold an interest in shares (within the meaning set out in Part 22 of the Act) representing one per cent or more of either any class of the equity share capital of that company (calculated exclusive of any shares of that class held as treasury shares) or of the voting rights available to members of that company;
- (e) a transaction or arrangement concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates to both directors and employees of the Company or any of its subsidiary undertakings and does not accord to any Director as such any privilege or benefit not accorded to the employees to whom the fund or scheme relates;
- (f) a transaction or arrangement for the benefit of employees of the Company or any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom the transaction or arrangement relates;
- (g) any proposal relating to the purchase or maintenance of insurance against any liability for the benefit of any Director or Directors or for the benefit of persons who include Directors;
- (h) the giving of indemnities in favour of Directors; and
- (i) the funding of expenditure incurred or to be incurred by any Director or Directors in defending any criminal or civil proceedings or in connection with an application to the court for relief or in defending him or them in any investigation by, or against action proposed to be taken by, a regulatory authority or the doing of anything to enable any Director or Directors to avoid incurring any such expenditure.

121.2 A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee concerning his own appointment (including the settlement or variation of the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including the settlement or variation of the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately. In such a case, each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

121.3 If any question arises at a meeting of the Board or of a committee as to the interest of any Director (other than the chairman of the meeting) in a transaction or arrangement or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by the Director voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting. The ruling of the chairman of the meeting in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (so far as is known to him) has not been fairly disclosed. If any such question shall arise in relation to the chairman of the meeting, the question shall be decided by a resolution of the Directors or members of the committee present at the meeting (excluding the chairman). The majority vote of such Directors or committee members shall be final and conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as is known to him) has not been fairly disclosed.

## **122. GENERAL**

122.1 The Company may by ordinary resolution:

- (a) suspend or relax any provision of Articles 118 to 121 to any extent, either generally or in respect of any particular matter;
- (b) ratify any transaction, arrangement or other matter not properly authorised by reason of a contravention of any provision of these Articles.

122.2 For the purposes of Articles 118 to 121:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties; and
- (b) references to an interest of a Director shall be construed so as to include the interest of a person who is connected with the Director (and, for this purpose, section 252 of the Act shall determine whether a person is connected with a Director).

## **SECRETARY**

## **123. SECRETARY**

123.1 Subject to the provisions of the Companies Acts, the Board shall appoint a secretary or joint secretaries of the Company and shall have power to appoint one or more persons to be an assistant or deputy secretary. Any such appointment shall be at such remuneration and on such terms and conditions as the Board thinks fit. Any person so appointed may be removed by the Board at any time but any such removal shall be without prejudice to any claim for damages for breach of any contract of service between the person concerned and the Company.

- 123.2 If the office of secretary is vacant or if for any reason the secretary is incapable of acting, anything required or authorised by the Companies Acts or these Articles to be done by or to the secretary may be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary, by any officer of the Company authorised either generally or specifically by the Board in that regard.
- 123.3 Any provision of the Companies Acts 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**

### **124. CUSTODY AND USE OF THE SEAL**

- 124.1 The Board shall provide for the safe custody of the Seal and the Securities Seal and neither shall be used without the authority of the Board or of a committee authorised by the Board in that behalf.
- 124.2 The Board may determine whether any instrument to which the Seal is affixed shall be signed and, if it is to be signed, who shall sign it and by what means. The Board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical, electronic or other means.
- 124.3 Unless the Board otherwise determines:
- (a) share certificates and, subject to the provisions of any instrument constituting the same, certificates in respect of any debentures or other securities which are issued under the Seal need not be signed; and
  - (b) every other instrument to which the Seal is affixed shall be signed by one Director and the Secretary or by two Directors or by such other person or persons as the Board or a committee shall authorise for that purpose.
- 124.4 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Unless the Board otherwise determines or the Companies Acts otherwise require, any instrument to which the Securities Seal is applied need not be signed by any person.
- 124.5 Nothing in these Articles shall require the Company to issue under the Seal any certificate or other document which is not by law required to be so issued.

### **125. OFFICIAL SEAL FOR USE ABROAD**

Subject to the provisions of the Companies Acts, the Company may have an official seal for use abroad.



**126. EXECUTION OF INSTRUMENTS HAVING THE SAME EFFECT AS IF EXECUTED UNDER SEAL**

Any instrument 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 expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Board or of a committee authorised by the Board in that behalf.

**AUTHENTICATION OF DOCUMENTS AND MINUTES**

**127. AUTHENTICATION OF DOCUMENTS**

127.1 Any Director or the Secretary or any other person appointed by the Board for the purpose shall have power to authenticate and to certify as true copies of or extracts from:

- (a) any document comprising or affecting the constitution of the Company;
- (b) any resolution passed by the Company or by the Board or a committee; and
- (c) any book, record, document or account relating to the business of the Company,

A document purporting to be a copy of a resolution, or the minutes or an extract from the minutes of a meeting of the Company or of the Board or a committee, which is so certified shall be conclusive evidence in favour of all persons dealing with the Company in good faith and relying thereon that the resolution was duly passed or that the minutes are (or the extract from the minutes is) a true and accurate record of proceedings at a duly constituted meeting.

127.2 Where any book, record, document or account is elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board for this purpose.

**128. MINUTES**

128.1 The Board shall cause minutes to be made of:

- (a) all appointments of officers made by the Board;
- (b) all appointments of committees;
- (c) the names of the Directors present at each meeting of the Company, of the Board and of any committee; and
- (d) all resolutions and proceedings of all meetings of the Company, of the Board and of any committee.

- 128.2 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 or by the Secretary shall be sufficient evidence, without any further proof, of the matters therein stated.

## **DIVIDENDS**

### **129. DECLARATION OF DIVIDENDS**

Subject to the provisions of the Companies Acts and of these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

### **130. FIXED AND INTERIM DIVIDENDS**

- 130.1 Subject to the provisions of the Companies Acts, if and so far as in the opinion of the Board the profits of the Company available for distribution justify such payments, the Board may declare and pay:

- (a) fixed dividends on any class of shares carrying a fixed dividend on the dates prescribed for the payment of those dividends; and
- (b) interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as the Board thinks fit.

- 130.2 If at any time the share capital of the Company is divided into different classes, the Board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares conferring preferred rights, unless at the time of payment any preferential dividend is in arrear.

- 130.3 If the Board acts in good faith, none of the Directors shall incur any liability to the holders of any shares conferring preferred rights for any loss they may suffer by the lawful payment of any interim dividend on any shares having rights ranking after those with preferred rights.

### **131. DIVIDEND IN SPECIE**

- 131.1 A general meeting declaring a dividend may, on the recommendation of the Board, by ordinary resolution direct that all or any part of the dividend shall be satisfied by the distribution of assets (including without limitation paid up shares or debentures of another body corporate).

- 131.2 The Board may make any arrangements it thinks fit to settle any difficulty arising in connection with the distribution and, in particular, may:

- (a) ignore fractions or issue certificates for fractions or authorise any person to sell and transfer fractions;
- (b) fix the value for distribution of any assets;

- (c) determine that cash payments may be made to any members on the basis of the value so fixed in order to adjust the rights of members; and
- (d) vest any assets in trustees on trust for the persons entitled to the dividend.

### **132. CALCULATION AND CURRENCY OF DIVIDENDS**

132.1 Except insofar as the rights attaching to, or the terms of issue of, any shares otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid; and
- (b) all dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

For the purpose of this Article 132.1, no amount paid up on a share in advance of the date on which a call is payable shall be treated as paid up on the share.

132.2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or any other monies payable in respect of a share may be declared or paid in whatever currency the Board may determine.

132.3 If a dividend is to be paid in a currency other than the currency in which it was declared, the exchange rate to be used for conversion of the dividend shall be such rate at such time on such date as the Board may determine.

### **133. NO INTEREST ON DIVIDENDS**

Unless otherwise provided by the rights attaching to the share, no dividend or other monies payable on or in respect of a share shall bear interest as against the Company.

### **134. PERMITTED DEDUCTIONS AND RETENTIONS**

134.1 The Board may:

- (a) deduct from any dividend or other monies payable to any person on or in respect of any share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company; and
- (b) apply any monies so deducted in or towards satisfaction of the amounts owed to the Company in relation to such shares.

134.2 Where a person is entitled by transmission to a share, the Board may withhold payment of any dividend payable in respect of that share until such person (or the person to whom such person transfers the same) becomes the holder of that share.

### **135. MANNER OF PAYMENT OF DIVIDENDS**

135.1 The Company may pay any dividend or other monies payable in respect of a share:

- (a) in cash; or
- (b) by cheque, warrant or money order made payable to or to the order of the person entitled to payment; or
- (c) by any bank or other funds transfer system to an account designated by notice to the Company by the person entitled to payment; or
- (d) in respect of a share in uncertificated form, by means of the relevant system (subject to the facilities and requirements of the relevant system); or
- (e) by any other method as may be approved by the Board and agreed (in such form as the Company thinks appropriate) by the person entitled to payment.

135.2 A cheque, warrant or money order may be sent by post:

- (a) in the case of a sole holder, to his registered address; or
- (b) in the case of joint holders, to the registered address of the person whose name appears first in the Register; or
- (c) in the case of a person or persons entitled by transmission to a share, as if it were a notice to be sent under Article 151; or
- (d) in any case, to such person and to such address as the person entitled to payment may direct by notice to the Company.

135.3 If two or more persons are registered as joint holders of any share or are entitled by transmission jointly to a share:

- (a) the Company may pay any dividend or other monies payable in respect of the share to any one of them and any one of them may give an effective receipt for that payment;
- (b) for the purpose of this Article 135, the Company may rely in relation to the share on the written direction, designation or agreement of, or notice to the Company by, any one of them.

## **136. DISCHARGE TO THE COMPANY AND RISK**

136.1 Payment of a cheque, warrant or money order or the collection of funds from or transfer of funds by a bank or other funds transfer system or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system (which, if the relevant system is CREST, may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may direct in writing) shall be a good discharge to the Company.

136.2 Every cheque, warrant or money order sent in accordance with these Articles is sent at the risk of the person entitled to payment. The Company shall have no responsibility for any sum lost or delayed in the course of transfer by or through any bank or other funds transfer system (including a relevant system) or where it has acted on any directions given in writing by the person entitled to payment.

#### **137. UNCASHED DIVIDENDS**

If:

- (a) cheques, warrants or money orders for dividends or other monies payable in respect of a share sent by the Company to the person entitled thereto are returned to the Company or left uncashed on two consecutive occasions; or
- (b) following one such occasion, reasonable enquiries have failed to establish any new address to be used for the purpose,

the Company shall not be obliged to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

#### **138. UNCLAIMED DIVIDENDS**

138.1 All unclaimed dividends or other monies payable on or in respect of a share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The payment of any such dividend or other monies into a separate account shall not constitute the Company a trustee in respect thereof.

138.2 Any dividend which has remained unclaimed for a period of 12 years after having become due for payment shall, if the Board so resolves, be forfeited and shall cease to remain owing by the Company.

#### **139. WAIVER OF DIVIDENDS**

The waiver, in whole or in part, of any dividend on any share shall be effective only if such waiver is in writing (whether or not executed as a deed) signed by the holder (or the person entitled by transmission to the share) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.

#### **140. SCRIP DIVIDENDS**

140.1 Subject as provided in this Article 140, the Board may, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer holders of ordinary shares (excluding any ordinary shares held as treasury shares) the right to elect to receive new ordinary shares, credited as fully paid, instead of all or part of any dividend specified by the ordinary resolution (“**rights of election**”). The ordinary resolution may specify a particular dividend or dividends (whether declared or not) or may specify all or any dividends declared within a specified period.

140.2 The Board may offer rights of election:

- (a) in respect of the next dividend proposed to be paid; or
- (b) in respect all future dividends (in respect of which a scrip dividend alternative is made available) until such time as the election is revoked,

or may allow holders of ordinary shares to make an election in either form.

140.3 If and whenever the Board determines to offer rights of election, the following provisions shall apply:

- (a) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement is as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. For this purpose, “**relevant value**” shall be calculated by reference to the average of the middle market quotations for the ordinary shares, as derived from the Daily Official List, for the day on which the ordinary shares are first quoted “ex” the relevant dividend and the four subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- (b) no fraction of a share shall be allotted and the Board may make such provision as it thinks fit for any fractional entitlements including provision whereby, in whole or in part, the benefit of fractional entitlements accrues to the Company and/or provision under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any holder of ordinary shares and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such member of fully paid ordinary shares and/or provision whereby cash payments are made to such holders in respect of their fractional entitlements;
- (c) the Board shall notify holders of ordinary shares of the right of election offered to them and of the procedure to be followed (including details of the place at which, and the latest time by which, duly completed forms of election must be lodged) in order for elections to be effective save that, in the case of a holder of ordinary shares who has previously made, and has not revoked, an earlier election to receive ordinary shares in lieu of all future dividends, the Board shall instead send him a reminder that he has made such an election, indicating how that election may be revoked in time for the next dividend proposed to be paid;

- (d) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on ordinary shares in respect of which an election has been duly made (“**elected shares**”) and instead additional ordinary shares shall be allotted to the holders of elected shares on the basis of allotment determined as aforesaid. For this purpose, the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of new ordinary shares for allotment and distribution to the holders of the elected shares on such basis. A resolution of the Board capitalising any part of any reserve or profits as is mentioned in this paragraph (d) shall have the same effect as if such capitalisation had been declared by ordinary resolution of the Company and, in relation to any such capitalisation, the Board may exercise all the powers conferred on it by these Articles without need of such ordinary resolution;
- (e) the additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or entitlement declared, made or paid by reference to such record date;
- (f) unless the Board otherwise determines or the uncertificated securities rules otherwise require, the additional ordinary shares so allotted shall, if the corresponding elected shares were in uncertificated form, be uncertificated shares and, if the corresponding elected shares were in certificated form, be certificated shares;
- (g) the Board may, in its absolute discretion, determine that rights of election shall not be made available to holders of ordinary shares with registered addresses in any territory where it considers that:
  - (i) this is necessary or desirable to deal with any legal or practical problems under the laws of, or the requirements of any recognised regulatory body or stock exchange in, that territory; or
  - (ii) special formalities would otherwise apply in connection with the circulation of an offer of rights of election in that territory; or
  - (iii) it would be impractical or unduly onerous to make available rights of election to any holder of ordinary shares with a registered address in that territory,

and, in such event, the provisions of this Article 140 shall be read and construed subject to such determination;

- (h) the Board may in its absolute discretion terminate or withdraw any offer previously made to holders of ordinary shares to elect to receive additional ordinary shares in lieu of a dividend (or part of it) and, in such event, the dividend shall be paid in cash as if no elections had been made in respect of it. Any such termination or withdrawal may be made at any time prior to the allotment of additional ordinary shares in lieu of such dividend, whether before or after the exercise of rights of election.

## **RESERVES**

### **141. ESTABLISHMENT OF RESERVES**

- 141.1 The Board may from time to time set aside out of the profits of the Company and carry to reserve such sums as it thinks fit. All sums standing to reserve may, at the discretion of the Board, be applied for any purpose to which the profits of the Company may properly be applied and, pending such application, may, at the discretion of the Board, either be employed in the business of the Company or be invested in such investments as the Board thinks fit. The Board may divide the reserve into such special funds as it thinks fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit.
- 141.2 The Board may also, without placing the same to reserve, carry forward any profits.

## **CAPITALISATION OF PROFITS**

### **142. CAPITALISATION ISSUE**

The Board may, with the authority of an ordinary resolution of the Company:

- (a) resolve to capitalise any undistributed profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve account of the Company (including any share premium account, capital redemption reserve or other undistributable reserve);
- (b) appropriate the sum resolved to be capitalised to the members or any class of members on the record date specified in, or determined in accordance with, the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in the same proportions;



- (c) apply that 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 paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum (in which case, for the purposes of this Article, the restrictions under the Companies Acts on the payment of dividends and the making of distributions in respect of shares held as treasury shares shall be deemed not to apply), and allot the shares or debentures credited as fully paid, to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, or otherwise deal with such sum as directed by the relevant resolution, provided that the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may only be applied in paying up unissued shares to be allotted credited as fully paid.

142.2 The Board may do all acts and things it considers necessary or expedient to give effect to any such capitalisation. Where any difficulty arises in respect of any distribution of any capitalised reserve or other sum, the Board may settle the difficulty as it thinks fit. In particular, the Board may make such provision as it thinks fit in the case of any shares or debentures which become, or would otherwise become, distributable in fractions (including provisions whereby fractional entitlements are disregarded or under which the benefit of fractional entitlements accrues to the Company rather than to the members concerned).

142.3 The Board may also authorise any person to sign on behalf of all the members concerned an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under that authority shall be effective and binding on all concerned.

## **RECORD DATES**

### **143. RECORD DATES FOR DIVIDENDS ETC**

143.1 Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares and subject always to the Companies Acts, the Company or the Board may by resolution specify any date (the “**record date**”) as the date at the close of business (or such other time as the Board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, allotment or issue.

143.2 Any such record date may be at any time on or before the date on which the dividend, distribution, allotment or issue is paid or made and may be either before or after the date on which the relevant resolution is passed but without prejudice to the rights inter se in respect of the dividend, distribution, allotment or issue of transferors and transferees of any such shares or other securities.

## ACCOUNTS

### 144. INSPECTION OF RECORDS

No member (other than a member who is also a Director or other officer of the Company) shall have any right to inspect any accounting records or any other books, documents or papers of the Company unless:

- (a) he is entitled to do so pursuant to the Companies Acts or an order of a court of competent jurisdiction; or
- (b) he is authorised to do so by the Board or by ordinary resolution of the Company.

### 145. ACCOUNTS TO BE SENT TO MEMBERS

A copy of every balance sheet and profit and loss account which is to be laid before a general meeting (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than 21 clear days before the date of the meeting be sent or supplied to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices of general meetings from the Company under the provisions of the Companies Acts or these Articles. However, this Article 145 shall not require a copy of these documents to be sent or supplied:

- (a) to any member to whom a summary financial statement is sent in accordance with the Companies Acts; nor
- (b) to more than one of the joint holders of any shares or debentures; nor
- (c) to any member who is not entitled to receive notices of general meetings; nor
- (d) to any person of whose address the Company is unaware,

provided that any member or debenture holder to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

## AUDITORS

### 146. VALIDITY OF AUDITORS' ACTS

Subject to the provisions of the Companies Acts, all acts done by the Auditors acting as the auditors of the Company 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, at the time of appointment, they were not qualified for appointment or subsequently became disqualified.

#### **147. AUDITORS' RIGHTS TO ATTEND GENERAL MEETINGS**

The Auditors shall be entitled to attend any general meeting and to receive all 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 the auditors of the Company.

### **NOTICES**

#### **148. NOTICES TO BE IN WRITING**

Any notice to be given to or by any person pursuant to these Articles (other than a notice convening a meeting of the Board or of a committee) shall be in writing.

#### **149. METHOD OF GIVING NOTICE TO MEMBERS**

149.1 Any notice, document or information may be sent or supplied by the Company to any member:

- (a) personally; or
- (b) by sending it by post in a pre paid envelope addressed to the member at his registered address (or at a postal address in the United Kingdom given to the Company pursuant to Article 153.1); or
- (c) by delivering it by hand to or leaving it at that address in an envelope addressed to the member; or
- (d) by sending it by electronic means to an address notified by the member to the Company for that purpose; or
- (e) by making it available on a website and notifying the member of its availability in accordance with this Article 149.1; or
- (f) by means of a relevant system; or
- (g) by any other means authorised in writing by the member concerned.

149.2 In the case of joint holders of a share:

- (a) all notices, documents or information shall be sent or supplied to the joint holder whose name stands first in the Register in respect of the joint holding and any notice, document or information so sent or supplied shall be deemed for all purposes sent or supplied to all the joint holders; and

- (b) anything to be agreed or specified in relation to any notice, document or information to be sent or supplied to them may be agreed or specified by any one of the joint holders and any such agreement or specification shall be deemed for all purposes to be agreed or specified by all the joint holders. The agreement or specification of the senior joint holder shall be accepted to the exclusion of the agreement or specification of any of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names of the stand in the Register in respect of the joint holding.

149.3 If on three consecutive occasions any notice, document or information sent or supplied to a member has been returned undelivered, such member shall not thereafter be entitled to receive any notices, documents or information from the Company until he has supplied to the Company:

- (a) a new registered address within the United Kingdom or a postal address within the United Kingdom for the sending or supply of notices, documents and information; or
- (b) an address for the sending or supply of notices, documents and information by electronic means.

For these purposes, any notice, document or information sent by post shall be treated as returned undelivered if the notice, document or information is sent back to the Company (or its agents) and any notice, document or information sent by electronic means shall be treated as returned undelivered if the Company (or its agents) receives notification that the notice, document or information was not delivered to the address to which it was sent.

149.4 The Company may at any time and in its sole discretion choose to send or supply notices, documents or information in hard copy form alone to some or all members.

## **150. RECORD DATE FOR SERVICE**

For the purpose of sending or supplying any notice, document or information to members, whether pursuant to these Articles, the Companies Acts or other rules and regulations applicable to the Company, the Company may determine that the persons entitled to receive such notices, documents or information are those persons entered on the Register at the close of business on a day determined by the Company. This day must not be more than 21 days before the day that the notice, document or information is sent or supplied.

**151. NOTICE TO PERSONS ENTITLED BY TRANSMISSION**

The Company may send or supply a notice, document or information to the person entitled by transmission to a share by sending or supplying it in any manner authorised by these Articles for the sending or supply of a notice, document or information to a member, addressed to that person by name or by the title of a representative of the deceased or trustee of the bankrupt or representative by operation of law or by any similar description, at the address (if any) in the United Kingdom supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice, document or information may be sent or supplied in any manner in which it might have been sent or supplied if the death or bankruptcy or other event giving rise to the transmission of entitlement had not occurred.

**152. NOTICE BINDING ON TRANSFEREES**

Every person who, by operation of law, transfer or any other means, becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company under section 793 of the Act) which, before his name is entered in the Register, has been duly sent or supplied to a person from whom he derives his title.

**153. MEMBERS OUTSIDE THE UNITED KINGDOM OR ON BRANCH REGISTERS**

153.1 Any member whose registered address is not within the United Kingdom may give to the Company a postal address within the United Kingdom at which notices, documents or information may be sent or supplied to him and, if he does so, he shall be entitled to have notices, documents or information sent or supplied to him at that address or, where applicable, to be notified at that address of the availability of notices, documents or information on a website. Alternatively, a member whose registered address is not within the United Kingdom may give to the Company an address for the purposes of communications by electronic means and, if he does so, the Company may, subject to these Articles, send or supply notices, documents or information to him at that address or, where applicable, notify him at that address of the availability of notices, documents or information on a website. Otherwise, a member whose registered address is not within the United Kingdom shall not be entitled to receive any notices, documents or information from the Company.

153.2 In the case of a member registered on a branch register, any notice, document or information which is posted may be posted either in the United Kingdom or in the territory in which such branch register is maintained.

**154. DEEMED SERVICE**

154.1 Any notice, document or information shall be deemed to have been received:

- (a) if sent by post:
  - (i) (where first class post is employed) on the day after the day on which it was posted; and
  - (ii) (where second class post is employed) on the second day after the day on which it was posted,

and, in proving service, it shall be sufficient to prove that an envelope containing the notice, document or information was properly addressed, pre-paid and put into the post;

- (b) if delivered by hand to or left at a registered address or an address for service in the United Kingdom, on the day on which it was so delivered or left;
- (c) if sent by means of a relevant system, when the Company or any sponsoring system-participant acting on its behalf sent the issuer-instruction relating to the notice, document or information;
- (d) if sent by electronic means, on the day after it was sent even if the Company subsequently sends such notice, document or information in hard copy form by post and, in proving service, it shall be sufficient to show that the notice, document or information was properly addressed;
- (e) if sent by being made available on a website, be deemed to have been received on the day on which the notice, document or information was first made available on the website or, if later, when notification of the availability of the notice, document or information on the website was received or is deemed to have been received in accordance with this Article 154.1; and
- (f) if sent by any other means authorised in writing by a member, when the Company has carried out the action it has been authorised to take for that purpose.

154.2 A member present in person or by proxy at any meeting of the Company shall be deemed to have received due notice of the meeting and, where requisite, of the purposes for which the meeting was called.

## **155. NOTICE DURING DISRUPTION OF SERVICES**

If at any time there is a suspension, interruption or curtailment of postal services within the United Kingdom or a part of the United Kingdom, the Company need only give notice of a general meeting to those members with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one national newspaper and make the notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof. If, at least six clear days prior to the meeting the sending or supply of notices by post in hard copy form has again become generally possible, the Company shall send or supply confirmatory copies of the notice by post to those members who would otherwise receive the notice in hard copy form.

## **156. STATUTORY REQUIREMENTS**

Nothing in any of Articles 148 to 155 shall affect any provision of the Companies Acts which requires any notice, document or information to be sent or supplied to a member in a particular manner.

## DESTRUCTION OF DOCUMENTS

### 157. DESTRUCTION OF DOCUMENTS

157.1 Subject to compliance with the uncertificated securities rules in relation to shares held in uncertificated form, the Company shall be entitled to destroy:

- (a) all instruments of transfer of shares which have been registered and all other documents on the basis of which any entry is made in the Register, at any time after the expiration of six years from the date of registration;
- (b) all dividend mandates, variations or cancellations of dividend mandates and notifications of change of name or 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;
- (d) all proxy appointments which have been used for the purposes of a poll, at any time after the expiration of one year from the date of use; and
- (e) all proxy appointments which have not been used for the purpose of a poll, at any time after the expiration of one month from the end of the meeting to which the proxy appointment relates,

provided always that the Company may destroy any such document before the expiration of the applicable period if a copy of such document is made (whether electronically, by microfilm, by digital imaging or by any other means) and retained until the expiration of the applicable period.

157.2 It shall conclusively be presumed in favour of the Company that:

- (a) every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
- (b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- (c) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
- (d) every other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

157.3 This Article 157 shall apply 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.

157.4 Nothing in this Article 157 shall be construed as imposing on the Company any liability in respect of the destruction of any document otherwise than as provided for in this Article 157 or in any other circumstances which would not attach to the Company in the absence of this Article 157.

157.5 In this Article 157, references to the destruction of any document include references to its disposal in any manner.

## **WINDING UP**

### **158. BOARD'S POWER TO PETITION**

The Board 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.

### **159. DISTRIBUTION OF ASSETS *IN SPECIE***

If the Company is wound up (whether the liquidation is voluntary, under supervision of the court or by the court), the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Acts, divide among the members in specie the whole or any part of the assets of the Company (whether or not the assets consist of property of one kind or different kinds). For this purpose, the liquidator may set such value as he considers fair on any one or more class or classes of property and may determine how such division shall be carried out as between the members or classes of members. The liquidator may, with the same authority, transfer the whole or any part of the assets to trustees on such trusts for the benefit of members as the liquidator with the same authority thinks fit. The liquidation may then be closed and the Company dissolved. However, the liquidator shall not, except with the consent of the member concerned, distribute to a member any asset to which there is attached a liability or potential liability for the owner.

## **DIRECTORS' LIABILITIES**

### **160. INDEMNITY**

160.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts but without prejudice to any indemnity to which he may otherwise be entitled, every director and officer of the Company and of each Associated Company shall be indemnified by the Company out of its own funds against:

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company other than:
  - (i) any liability to the Company or any Associated Company; and
  - (ii) any liability of the kind referred to in section 234(3) of the Act; and



- (b) any other liability incurred by or attaching to him in the actual or purported performance and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.
- 160.2 Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts but without prejudice to any indemnity to which he may otherwise be entitled, every director of any company (being the Company or an Associated Company) which is a trustee of an occupational pension scheme shall be indemnified by the Company out of its own funds against any liability incurred in connection with the activities of the company concerned in its capacity as such a trustee other than any liability of the kind referred to in section 235(3) of the Act.
- 160.3 Where a person is indemnified against any liability in accordance with this Article 160, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.
- 160.4 In this Article 160, “**Associated Company**” means a company which is associated with the Company within the meaning of section 256 of the Act and “**occupational pension scheme**” has the meaning given in section 235(6) of the Act.

#### **161. FUNDING OF DEFENCE EXPENDITURE**

- 161.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts, the Company may:
- (a) provide a director of the Company or of an Associated Company with funds to meet expenditure incurred or to be incurred by him:
    - (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company; or
    - (ii) in connection with an application for relief under the provisions referred to in section 205(5) of the Act; and
  - (b) do anything to enable him to avoid incurring such expenditure,  
  
provided always that any loan made or liability incurred under any transaction connected with anything done pursuant to this Article 161 shall be repaid or (as the case may be) discharged in the circumstances, and by not later than the date, specified in section 205(2) of the Act.
- 161.2 Subject to the provisions of, and far as may be permitted by and consistent with, the Companies Acts, the Company may:

- (a) provide a director of the Company or of an Associated Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company; and
- (b) do anything to enable him to avoid incurring such expenditure.

161.3 In this Article 161, “**Associated Company**” means a company which is associated with the Company within the meaning of section 256 of the Act.