

# **LOUNGERS PLC**

## **ARTICLES OF ASSOCIATION**



# LOUNGERS PLC

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**Company number: 11910770**

**THE COMPANIES ACT 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**LOUNGERS PLC**

**PRELIMINARY**

**1. DEFINITIONS**

- 1.1 In these Articles (unless the context requires otherwise) the following words have the following meanings:

**"Act"** means the Companies Act 2006;

**"Articles"** means these articles of association as altered from time to time;

**"Auditors"** means the auditors for the time being of the Company;

**"Board"** means the Board of Directors or the Directors present or deemed to be present at a duly convened meeting at which a quorum is present;

**"certificated"** means in relation to a share, a share which is recorded in the Register of Members as being held in certificated form;

**"clear days"** means in relation to the period of a notice, the period excluding the day when the notice is given or deemed given and the day for which it is given or on which it is to take effect;

**"Company"** means Loungers, registered in England with number 11910770;

**"Deferred Shares"** means deferred shares of £0.01 each in the capital of Company;

**"Director"** means a director of the Company;

**"document"** includes, unless otherwise specified, any document sent or supplied in electronic form;

**"electronic form"** has the same meaning as in section 1168 of the Act;

**"execution"** means any mode of execution (and **"executed"** shall be construed accordingly);

**"Group"** means the group comprising the Company and its subsidiary undertakings (not including any parent undertaking of the Company);

**"Group Undertaking"** means any undertaking in the Group, including the Company;

**"holder"** means in relation to a share, the member whose name is entered in the Register of Members as the holder of that share;

**"Issuer-Instruction"** means an issuer-instruction, as defined in the Uncertificated Securities Regulations;

**"Listing Rules"** means the listing rules of the Financial Services Authority made under Part VI of the Financial Services and Markets Act 2000 (as amended from time to time);

**"London Stock Exchange"** means London Stock Exchange plc;

**"member"** means a member of the Company or, if the context so requires, a member of the Board or of any committee of the Board;

**"Official List"** means the Official List maintained by the Financial Services Authority under Part VI of the Financial Services and Markets Act 2000;

**"Operator"** means the Operator (as defined in the Uncertificated Securities Regulations) of the Uncertificated System;

**"Ordinary Shares"** means ordinary shares in the capital of the Company;

**"paid or paid up"** means paid up or credited as paid up;

**"participating issuer"** has the same meaning as in the Uncertificated Securities Regulations;

**"Participating Security"** means a share or class of shares or a renounceable right of allotment of a share, title to which is permitted to be transferred by means of an Uncertificated System in accordance with the Uncertificated Securities Regulations;

**"Preference Shares"** means redeemable preference shares of £49,999 each in the Company;

**"Registered Office"** means the registered office of the Company;

**"Register of Members"** means the Company's register of members kept pursuant to the Act or, as the case may be, any overseas branch register kept pursuant to these Articles;

**"Seal"** means the common seal of the Company, or any official or securities seal, that the Company has or may have as permitted by the Act;

**"Secretary"** means the secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company including a joint, temporary, assistant or deputy secretary;

**"share"** means a share in the capital of the Company;

**"Statutes"** means the Act and every other act of parliament or statutory instrument for the time being in force concerning companies and affecting the Company including any statutory re-enactment or modification of the Act or any other act or statutory instrument;

**"System-Participant"** means a system-participant, as defined in the Uncertificated Securities Regulations;

**"UKLA"** means the United Kingdom Listing Authority;



**"uncertificated"** means in relation to a share, a share to which title is recorded in the Register of Members as being held in uncertificated form and title to which may be transferred by means of an Uncertificated System in accordance with the Uncertificated Securities Regulations;

**"Uncertificated Securities Regulations"** means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755); and

**"Uncertificated System"** means the CREST system or any other applicable system which is a "relevant system" for the purpose of the Uncertificated Securities Regulations.

1.2 In these Articles:

- (A) words or expressions that are not defined in this Article 1 have the same meanings (where applicable) as in the Act as in force on the date of the adoption of these Articles;
- (B) a reference to any statute or any statutory instrument or any provision of a statute or of a statutory instrument includes a reference to any statutory modification or re-enactment of it for the time being in force, as (where applicable) amended or modified or extended by any other statute or any order, regulation, instrument or other subordinate legislation made under such statute or statutory provision or under the statute under which such statutory instrument was made;
- (C) words in the singular include the plural and vice versa, words importing any gender include all genders and a reference to a **"person"** includes any individual, firm, partnership, unincorporated association, company, corporation or other body corporate;
- (D) references to **"writing"** or **"written"** include printing, typewriting, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form or made available on a website are "in writing" for the purposes of these Articles;
- (E) a reference to an Uncertificated System is a reference to the Uncertificated System in respect of which the particular share or class of shares or renounceable right of allotment of a share is a Participating Security;
- (F) where an ordinary resolution is expressed to be required for any purpose, a special resolution is also effective for such purpose; and
- (G) headings do not affect the interpretation of any Article.

**2. LIABILITY OF MEMBERS**

The liability of each member is limited to the amount, if any, unpaid on the share(s) held by such member.

**3. EXCLUSION OF MODEL ARTICLES**

This document comprises the articles of association of the Company and no regulations set out in any statute or statutory instrument concerning companies, including, without prejudice to such generality, the regulations contained in the Companies (Model Articles) Regulations 2008 (SI 2008/3229), shall apply as articles of association of the Company.

## CAPITAL

### 4. SHARE RIGHTS

- 4.1 Subject to the provisions of the Act, shares may be issued which are to be redeemed or liable to be redeemed at the option of the Company or the holder of such shares on such terms and in such manner as provided in these Articles.
- 4.2 Any Ordinary Shares or Preference Shares issued by the Company will rank *pari passu* in respect as the same class of share unless otherwise agreed by all the members in writing.
- 4.3 The rights attaching to the shares shall be as follows:
- (A) the Preference Shares shall not confer any right to dividends or other distributions and, subject to the provisions of the Act, profits of the Company available for distribution shall be applied in paying dividends to the Ordinary Shareholders;
  - (B) in the event of the winding up of the Company or other return of capital, the assets of the Company remaining after payment of its debts and liabilities and of the costs, charges and expenses, such winding up or other return of capital shall be applied first in repaying in full to the holders of the Preference Shares the amounts paid up or credited as paid up in respect of such Preference Shares (if any) and thereafter shall be applied on a pro-rata basis in proportion to the number of fully paid up Ordinary Shares held; and
  - (C) the holders of the Preference Shares shall have the right to receive notice of and attend and speak at any general meeting of the Company but, subject to Article 55.5, only the holders of Ordinary Shares shall be entitled to vote.

### 5. REDEMPTION OF THE PREFERENCE SHARES

- 5.1 Subject to the Statutes, at any time a redemption notice may be given by the Company to all of the holders of the Preference Shares requiring them to have their Preference Shares redeemed in accordance with this Article 5.
- 5.2 The Company shall give notice in writing in respect of any Preference Shares to be redeemed under Article 5.1 (a "**Redemption Notice**"). Any notice given by the Company shall specify the particular Preference Shares to be redeemed and the date when the redemption is to be effective (the "**Redemption Date**").
- 5.3 If a Redemption Date would otherwise fall on a Saturday, a Sunday or a day which is a public holiday in England, then, the Redemption Date shall be the next date which is not such a day.
- 5.4 Any Preference Shares to be redeemed shall be selected as nearly as may be to ensure that the number of Preference Shares registered in the name of each of holder of Preference Shares is reduced in the same proportion. On or before the Redemption Date each of the holders of the shares to be redeemed shall deliver to the Company at its registered office the certificate for those of the shares concerned as are held by him (or an appropriate indemnity in such form as the Company may reasonably require) in order that they may be cancelled. Upon such delivery the Company shall pay to the holder (or, in the case of joint holders, to the holder whose name stands first in the Register of Members of the Company in respect of such shares) the amount due to him in respect of such redemption as set out in Article 5.1 against the delivery of a proper receipt for the redemption moneys payable in respect the redemption. If any certificate so delivered to the Company includes any Preference Shares not to be redeemed on the relevant Redemption Date a fresh certificate for such Preference Shares not

so redeemed shall be issued to the holder or holders delivering that certificate to the Company. The Company shall redeem all or part of the Preference Shares on the Redemption Date that the Company shall specify by notice in writing to the holders of the Preference Shares.

- 5.5 On the Redemption Date, the Company shall pay to each holder of Preference Shares the amount paid up or credited as paid up in respect of such Preference Share and upon receipt of that amount each holder shall surrender his Preference Share certificate to the Company such that it may be cancelled with immediate effect.

## **6. DEFERRED SHARES**

- 6.1 The holders of Deferred Shares shall not be entitled to receive notice of any general meeting nor to attend, speak or vote thereat;
- 6.2 The holders for the time being of Deferred Shares shall not be entitled to receive any dividend or other distribution;
- 6.3 The holders of Deferred Shares shall have no right to participate in the assets of the Company save to receive on a return of assets after payment of the Company's liabilities the amount paid up on such shares after the holders for the time being of the ordinary shares have been repaid in full the capital paid up on such shares and an amount equal to £1 billion per Ordinary Share;
- 6.4 The Company is authorised to appoint any person to execute on behalf of the holders of such Deferred Shares a transfer thereof (and/or an agreement to transfer the same) to such person as the Company may determine as custodian thereof and/or to purchase the same (in accordance with the provisions of the Companies Act) in any such case for a price not more than an aggregate sum of £0.01 for all the Deferred Shares without obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for such Deferred Shares; and
- 6.5 The Company may at its option at any time after the creation of any Deferred Shares by notice in writing to the holders of the same redeem all of the Deferred Shares then in issue, at an aggregate price not exceeding £0.01 for all the Deferred Shares redeemed, on terms that the recipient of such sum shall be selected by the Company in its absolute discretion.

## **7. ALLOTMENT**

- 7.1 Subject to the Act and these Articles, the Board may offer, allot or grant options over unissued shares to such persons and on such terms as it may decide (including, without limitation, terms relating to the renunciation of any allotment).
- 7.2 Subject to the Act and without prejudice to any rights attached to any shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
- 7.3 Subject to the Act, any share may be issued which is, or is to be liable, to be redeemed at the option of one or both of the Company or the holder and the Board may determine the terms, conditions and manner of redemption of any such share.

## **8. COMMISSIONS AND BROKERAGE**

The Company may exercise all powers conferred by the Act of paying commissions in relation to a subscription for shares or other allotment. Subject to the Act, such commissions

may be satisfied in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also pay such brokerage in relation to a subscription for shares as may be lawful.

## **9. TRUSTS NOT RECOGNISED**

Except as required by law, no person shall be recognised by the Company as holding any share on any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right of the holder to share in its entirety (even if the Company has notice of such interest).

## **10. PURCHASE OF OWN SHARES**

Subject to the Statutes and to any rights attached to any shares, the Company may purchase, or enter into a contract under which it will or may purchase, any of its own shares of any class in any way. Any shares so purchased may be selected for purchase on any basis and in any manner whatsoever.

## **11. VARIATION OF CLASS RIGHTS**

11.1 Subject to the Act and if the share capital of the Company is divided into shares of different classes, any of the rights attached to any class of shares (notwithstanding that the Company may be or be about to be in liquidation) may (unless the rights attached to the shares of the class otherwise provide) be varied or abrogated in any manner, either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of the class duly convened and held in accordance with Article 12.

11.2 Subject to the terms of issue of or rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by:

- (A) the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued;
- (B) the reduction of the capital paid up on such shares or by the purchase or redemption by the Company of any of its own shares in accordance with the Act and these Articles; or
- (C) the Board resolving that a class of shares is to become or is to cease to be, or the Operator permitting such class of shares to become or to cease to be, a Participating Security.

## **12. CLASS MEETINGS**

12.1 The Board may call a separate general meeting of the holders of the shares of any class at any time and for any purpose as it thinks.

12.2 A separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting pursuant to these Articles, except that:

- (A) no member, other than a Director, shall be entitled to notice of it or to attend such meeting unless he is a holder of shares of that class;

- (B) no vote may be given except in respect of a share of that class;
  - (C) the quorum at the meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class and at an adjourned meeting the quorum shall be one person holding shares of that class or his proxy; and
  - (D) a poll may be demanded by a member present in person or by proxy and entitled to vote at the meeting and on a poll each member shall have one vote for every share of that class of which he is the holder.
- 12.3 For the purpose of these Articles, a general meeting at which no holder of a share other than an Ordinary Share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the Ordinary Shares.
- 13. FRACTIONS**
- 13.1 If, as the result of a consolidation and division or a sub-division of shares, fractions of shares become attributable to members, the Board may on behalf of the members deal with the fractions as it thinks fit, including (without limitation) in either of the ways prescribed in this Article 13 below.
- 13.2 The Board may sell shares representing the fractions to any person (including, subject to the Act, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons to whom such fractions are attributable (except that if the amount due to a person is less than £5.00, or such other sum permitted by the Listing Rules, (if applicable)) as the Board may decide, the Company may retain such sum for its own benefit). To give effect to such sale the Board may:
- (A) in the case of certificated shares, authorise a person to execute an instrument of transfer of shares to the purchaser or as the purchaser may direct; and
  - (B) in the case of uncertificated shares, exercise any power conferred on it by Article 17.9 (uncertificated shares) to effect a transfer of the shares.
- 13.3 The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to in 13.2 shall be effective as if it had been executed or exercised by the holder of the shares to which it relates.
- 13.4 In relation to any fractions and subject always to the Act the Board may issue, to a member credited by way of capitalisation as fully paid the minimum number of shares required to round up his holding of shares to a number which, following a consolidation and division or a sub-division, leaves a whole number of shares (such issue being deemed to have been effected immediately before the consolidation or the sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the Board thinks fit out of amounts standing to the credit of any reserve or fund of the Company (including any share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the Board capitalising part of any such reserve or fund will have the same effect as if the capitalisation had been made with the sanction of an ordinary resolution of the Company pursuant to Article 130 (capitalisation of profits and reserves). In relation to the capitalisation the Board may exercise all the powers conferred on it by Article 130 without the sanction of an ordinary resolution of the Company.

#### **14. REDUCTION OF SHARE CAPITAL**

Subject to the Statutes and to any rights attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve, share premium account or other distributable reserve in any way.

#### **CERTIFICATED SHARES**

#### **15. RIGHT TO CERTIFICATES**

- 15.1 Subject to the Act, the requirements of (to the extent applicable) the Listing Rules and/or the London Stock Exchange, and these Articles, every person (except any person in respect of whom the Company is not required by the Act to complete and have ready for delivery a share certificate), upon becoming the holder of a certificated share is entitled, without charge, to one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares, unless the terms of issue of the shares provide otherwise.
- 15.2 Where a member (other than a person in respect of whom the Company is not required by the Act to complete and have ready for delivery a share certificate) transfers part of or pays up any further sum on his shares comprised in a certificate he shall be entitled, without charge, to one certificate for the balance of certificated shares retained by him, reflecting the amounts paid up on such shares.
- 15.3 The Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons. Delivery of a certificate to one joint holder shall be sufficient delivery to all joint holders.
- 15.4 A certificate shall specify the number and class and the distinguishing numbers (if any) of the shares in respect of which it is issued and the nominal value and amount paid up on the shares. It shall be issued under the Seal (if any), which may be affixed to or printed on it, or in such other manner as the Board may approve, having regard to the terms of issue and the requirements of (to the extent applicable) the Listing Rules and/or the London Stock Exchange.

#### **16. REPLACEMENT CERTIFICATES**

- 16.1 If any certificate is worn-out, defaced, lost or destroyed, the Company may cancel it and issue a replacement certificate subject to such terms as the Board may decide as to evidence and indemnity (with or without security) and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity or such security but otherwise free of charge, and (if the certificate is worn-out or defaced) on delivery up of the old certificate.
- 16.2 Where a member holds two or more certificates for shares of one class, the Board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate for certificated shares of that class.
- 16.3 At the request of a member, the Board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the member may specify), on surrender of the original certificate and on payment of such reasonable sum as the Board may decide.

## UNCERTIFICATED SHARES

### 17. UNCERTIFICATED SHARES

- 17.1 Subject to the Act and the Uncertificated Securities Regulations, the Board may resolve that a class of shares is to become, or is to cease to be, a Participating Security.
- 17.2 Shares of a class shall not be treated as forming a separate class from other shares of the same class as a consequence of such shares being held in certificated or uncertificated form or of any provision in these Articles or the Uncertificated Securities Regulations applying only to certificated shares or to uncertificated shares.
- 17.3 Any share of a class which is a Participating Security may be changed from an uncertificated share to a certificated share and from a certificated share to an uncertificated share in accordance with the Uncertificated Securities Regulations.
- 17.4 These Articles apply to uncertificated shares of a class which is a Participating Security only to the extent that these Articles are consistent with the holding of such shares in uncertificated form, with the transfer of title to such shares by means of the Uncertificated System and with the Uncertificated Securities Regulations.
- 17.5 The Board may lay down regulations not included in these Articles which (in addition to or in substitution for any provisions in these Articles):
- (A) apply to the issue, holding or transfer of uncertificated shares;
  - (B) set out (where appropriate) the procedures for conversion and/or redemption of uncertificated shares; and/or
  - (C) the Board considers necessary or appropriate to ensure that these Articles are consistent with the Uncertificated Securities Regulations and/or the Operator's rules and practices.
- 17.6 Such regulations will apply instead of any relevant provisions in these Articles which relate to certificates and the transfer, conversion and redemption of shares or which are not consistent with the Uncertificated Securities Regulations, in all cases to the extent (if any) stated in such regulations. If the Board makes any such regulations, 17.4 will (for the avoidance of doubt) continue to apply to these Articles, when read in conjunction with those regulations.
- 17.7 Any instruction given by means of an Uncertificated System as referred to in these Articles shall be a dematerialised instruction given in accordance with the Uncertificated Securities Regulations, the facilities and requirements of the Uncertificated System and the Operator's rules and practices.
- 17.8 For any purpose under these Articles, the Company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings, unless the Board otherwise decides.
- 17.9 Where the Company is entitled under the Act, the Operator's rules and practices, these Articles or otherwise to dispose of, forfeit, enforce a lien over or sell or otherwise procure the sale of any shares of a class which is a Participating Security which are held in uncertificated form, the Board may take such steps (subject to the Uncertificated Securities Regulations and to such rules and practices) as may be required or appropriate, by instruction by means of the Uncertificated System or otherwise, to effect such disposal, forfeiture, enforcement or sale including by (without limitation):

- (A) requesting or requiring the deletion of any computer-based entries in the Uncertificated System relating to the holding of such shares in uncertificated form;
- (B) altering such computer-based entries so as to divest the holder of such shares of the power to transfer such shares other than to a person selected or approved by the Company for the purpose of such transfer;
- (C) requiring any holder of such shares, by notice in writing to him, to change his holding of such uncertificated shares into certificated form within any specified period;
- (D) requiring any holder of such shares to take such steps as may be necessary to sell or transfer such shares as directed by the Company;
- (E) otherwise rectify or change the Register of Members in respect of any such shares in such manner as the Board considers appropriate (including, without limitation, by entering the name of a transferee into the Register of Members as the next holder of such shares); and/or
- (F) appointing any person to take any steps in the name of any holder of such shares as may be required to change such shares from uncertificated form to certificated form and/or to effect the transfer of such shares (and such steps shall be effective as if they had been taken by such holder).

## **LIEN ON SHARES**

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

- 18.1 The Company has a first and paramount lien on each issued share (not being a fully paid share) for all amounts payable to the Company (whether actually or contingently and whether presently payable or not) in respect of such share.
- 18.2 The lien applies to all dividends on any such share and to all amounts payable by the Company in respect of such share. It also applies notwithstanding that:
  - (A) the Company may have notice of any equitable or other interest of any person in any such share; or
  - (B) any such amounts payable may be the joint debts and liabilities of both the holder of the share and one or more other persons.
- 18.3 The Board may resolve that any share be exempt wholly or in part from this Article 18.

### **19. ENFORCEMENT OF LIEN BY SALE**

- 19.1 For the purpose of enforcing the Company's lien on any shares, the Board may sell them in such manner as it decides if an amount in respect of which the lien exists is presently payable and is not paid within fourteen (14) clear days following the giving of a notice to the holder (or any person entitled by transmission to the share) demanding payment of the amount due within such fourteen clear day period and stating that if the notice is not complied with the shares may be sold.
- 19.2 To give effect to such sale the Board may:



- (A) in the case of certificated shares, authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder of, or the person entitled by transmission to, them to the purchaser or as the purchaser may direct; and
  - (B) in the case of uncertificated shares, exercise any power conferred on it by Article 17.9 (uncertificated shares) to effect a transfer of the shares.
- 19.3 The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to in Article 19.2 shall be effective as if it had been executed or exercised by the holder of, or the person entitled by transmission to, the shares to which it relates.

## **20. APPLICATION OF SALE PROCEEDS**

The net proceeds of any sale of shares subject to the Company's lien under these Articles (after payment of the costs and expenses of sale) shall be applied in or towards satisfaction of the amount then due to the Company in respect of the shares. Any balance shall be paid to the original holder of, or the person entitled (but for such sale) by transmission to, the shares on (in the case of certificated shares) surrender to the Company for cancellation of the certificate for such shares and (in all cases) subject to the Company having a lien on such balance on the same basis as applied to such shares for any amount not presently payable as existed on such shares before the sale.

## **CALLS**

### **21. CALLS**

- 21.1 Subject to the terms on which shares are allotted, the Board may make calls on the members (and any persons entitled by transmission) in respect of any amounts unpaid on their shares (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the allotment terms. Each such member or other person shall pay to the Company the amount called, subject to receiving at least fourteen (14) clear days' notice specifying when and where the payment is to be made, as required by such notice.
- 21.2 A call may be made payable by instalments. A call shall be deemed to have been made when the resolution of the Board authorising it is passed. A call may, before the Company's receipt of any amount due under it, be revoked or postponed in whole or in part as the Board may decide. A person upon whom a call is made will remain liable for calls made on him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **22. LIABILITY OF JOINT HOLDERS**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.

### **23. INTEREST**

If the whole of the sum payable in respect of any call is not paid by the day it becomes due and payable, the person from whom it is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment, together with interest on the unpaid amount from the day it became due and payable until it is paid at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is fixed, at such rate, not exceeding twenty (20) per cent. per annum (compounded on a six monthly basis), as the Board shall determine. The Board may waive payment of such costs, charges, expenses or interest in whole or in part.

## **24. DIFFERENTIATION**

Subject to the allotment terms, the Board may make arrangements on or before the issue of shares to differentiate between the holders of shares in the amounts and times of payment of calls on their shares.

## **25. PAYMENT IN ADVANCE OF CALLS**

- 25.1 The Board may receive from any member (or any person entitled by transmission) all or any part of the amount uncalled and unpaid on the shares held by him (or to which he is entitled). The liability of each such member or other person on the shares to which such payment relates shall be reduced by such amount. The Company may pay interest on such amount from the time of receipt until the time when such amount would, but for such advance, have become due and payable at such rate not exceeding twenty (20) per cent. per annum (compounded on a six monthly basis) as the Board may decide.
- 25.2 No sum paid up on a share in advance of a call shall entitle the holder to any portion of a dividend subsequently declared or paid in respect of any period prior to the date on which such sum would, but for such payment, become due and payable.

## **26. RESTRICTIONS IF CALLS UNPAID**

Unless the Board decides otherwise, no member shall be entitled to receive any dividend or to be present or vote at any meeting or to exercise any right or privilege as a member until he has paid all calls due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any) to the Company.

## **27. SUMS DUE ON ALLOTMENT TREATED AS CALLS**

Any sum payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall be deemed to be a call. If such sum is not paid, these Articles shall apply as if it had become due and payable by virtue of a call.

# **FORFEITURE**

## **28. FORFEITURE AFTER NOTICE OF UNPAID CALL**

- 28.1 If a call or an instalment of a call remains unpaid after it has become due and payable, the Board may give to the person from whom it is due not less than fourteen (14) clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses that the Company may have incurred by reason of such non-payment. The notice shall state the place where payment is to be made and that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. If the notice is not complied with, any shares in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board. The forfeiture will include all dividends and other amounts payable in respect of the forfeited shares which have not been paid before the forfeiture.
- 28.2 The Board may accept the surrender of a share which is liable to be forfeited in accordance with these Articles. All provisions in these Articles which apply to the forfeiture of a share also apply to the surrender of a share.

## **29. NOTICE AFTER FORFEITURE**

When a share has been forfeited, the Company shall give notice of the forfeiture to the person who was before forfeiture the holder of the share or the person entitled by transmission to the share. An entry that such notice has been given and of the fact and date of forfeiture shall be made in the Register of Members. No forfeiture will be invalidated by any omission to give such notice or make such entry.

## **30. CONSEQUENCES OF FORFEITURE**

- 30.1 A share shall, on its forfeiture, become the property of the Company.
- 30.2 All interest in and all claims and demands against the Company in respect of a share and all other rights and liabilities incidental to the share as between its holder and the Company shall, on its forfeiture, be extinguished and terminate except as otherwise stated in these Articles or, in the case of past members, as provided by the Act.
- 30.3 The holder of a share (or the person entitled to it by transmission) which is forfeited shall:
- (A) on its forfeiture cease to be a member (or a person entitled) in respect of it;
  - (B) if a certificated share, surrender to the Company for cancellation the certificate for the share;
  - (C) remain liable to pay to the Company all monies payable in respect of the share at the time of forfeiture, with interest, not exceeding twenty (20) per cent. per annum (compounded on a six monthly basis), from such time of forfeiture until the time of payment, in the same manner in all respects as if the share had not been forfeited; and
  - (D) remain liable to satisfy all (if any) claims and demands which the Company might have enforced in respect of the share at the time of forfeiture without any deduction or allowance for the value of the share at the time of forfeiture or for any consideration received on its disposal.

## **31. DISPOSAL OF FORFEITED SHARE**

- 31.1 Subject to the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board may decide either to the person who was before the forfeiture the holder or to any other person. At any time before the disposal, the forfeiture may be cancelled on such terms as the Board may decide. Where for the purpose of its disposal a forfeited share is to be transferred to any transferee, the Board may:
- (A) in the case of certificated shares, authorise a person to execute an instrument of transfer of shares in the name and on behalf of their holder to the purchaser or as the purchaser may direct; and
  - (B) in the case of uncertificated shares, exercise any power conferred on it by Article 17.9 (uncertificated shares) to effect a transfer of the shares.
- 31.2 The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to in Article 31.1 shall be effective as if it had been executed or exercised by the holder of, or the person entitled by transmission to, the shares to which it relates.

- 31.3 The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share as between the shareholder whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.
- 31.4 Notwithstanding any such forfeiture as aforesaid, the Board may, at any time before the forfeited shares have been otherwise disposed of, annul the forfeiture, on the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share, or on the terms of compliance with the terms of any notice served under section 793 of the Act, as appropriate, and on such further terms (if any) as it shall see fit.

## **32. PROOF OF FORFEITURE**

A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it against all persons claiming to be entitled to the share. The declaration shall (subject to the execution of any necessary instrument of transfer) constitute good title to the share. The person to whom the share is disposed of shall not be bound to see to the application of the consideration (if any) given for it on such disposal. His title to the share will not be affected by any irregularity in, or invalidity of, the proceedings connected with the forfeiture or disposal.

## **UNTRACED MEMBERS**

## **33. SALE OF SHARES**

- 33.1 Subject to the Uncertificated Securities Regulations, the Company may sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission, if:

(A) during the period of twelve (12) years prior to the date of the publication of the advertisements referred to in this Article 33.1 (or, if published on different dates, the earlier or earliest of them):

(1) no cheque, warrant or money order in respect of such share sent by or on behalf of the Company to the member or to the person entitled by transmission to the share, at his address in the Register of Members or other address last known to the Company has been cashed; and

(2) no cash dividend payable on the shares has been satisfied by the transfer of funds to a bank account of the member (or person entitled by transmission to the share) or by transfer of funds by means of the Uncertificated System,

and the Company has received no communication (whether in writing or otherwise) in respect of such share from such member or person, provided that during such twelve year period the Company has paid at least three cash dividends (whether interim or final) in respect of shares of the class in question and no such dividend has been claimed by the person entitled to such share;

(B) on or after the expiry of such twelve year period the Company has given notice of its intention to sell such share by advertisements in a national newspaper published in the country in which the Company's registered office is located and in a newspaper circulating in the area in which the address in the Register of Members or other last known address of the member or the person entitled by transmission to the share or

the address for the service of notices on such member or person notified to the Company in accordance with these Articles is located;

- (C) such advertisements, if not published on the same day, are published within thirty (30) days of each other;
- (D) during a further period of three months following the date of publication of such advertisements (or, if published on different dates, the date on which the requirements of this Article 33.1 concerning the publication of newspaper advertisements are met) and prior to the sale the Company has not received any communication (whether in writing or otherwise) in respect of such share from the member or person entitled by transmission; and
- (E) the Company has informed the UKLA of its intention to make such sale, if shares of the class concerned are listed on the Official List.

33.2 If during such twelve year period, or during any subsequent period ending on the date when all the requirements Article 33.1 have been met in respect of any shares, any additional shares that have been issued in respect of those held at the beginning of, or previously so issued during, any such subsequent period and all the requirements of Article 33.1 have been satisfied with regard to such additional shares, the Company may also sell the additional shares.

33.3 To give effect to a sale pursuant to Article 33.1 or Article 33.2, the Board may:

- (A) in the case of certificated shares, authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder of, or the person entitled by transmission to, them to the purchaser or as the purchaser may direct; and
- (B) in the case of uncertificated shares, exercise any power conferred on it by Article 17.9 (uncertificated shares) to effect a transfer of the shares.

33.4 The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to in Article 33.3 shall be effective as if it had been executed or exercised by the holder of, or the person entitled by transmission to, the shares to which it relates.

#### **34. APPLICATION OF SALE PROCEEDS**

The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all monies in respect of the sale to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such monies. Monies carried to such separate account may either be employed in the business of the Company or invested as the Board may think fit. No interest shall be payable to such member or other person in respect of such monies and the Company shall not be required to account for any money earned on them.

### **TRANSFER OF SHARES**

#### **35. FORM OF TRANSFER**

35.1 Subject to these Articles, a member may transfer all or any of his shares:

- (A) in the case of certificated shares, by an instrument of transfer in writing in any usual form or in another form approved by the Board, which must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee; or
  - (B) in the case of uncertificated shares, without a written instrument in accordance with the Uncertificated Securities Regulations.
- 35.2 Subject to the provisions of the Uncertificated Securities Regulations, the transferor shall remain the holder of the share transferred until the name of the transferee is entered in the Register of Members in respect of it.

### **36. REGISTRATION OF A CERTIFICATED SHARE TRANSFER**

- 36.1 Subject to these Articles, the Board may, in its absolute discretion and without giving a reason, refuse to register the transfer of a certificated share or the renunciation of a renounceable letter of allotment unless it is:
- (A) in respect of a share which is fully paid;
  - (B) in respect of a share on which the Company has no lien;
  - (C) in respect of only one class of shares;
  - (D) in favour of a single transferee or renouncee or not more than four joint transferees or renouncees;
  - (E) duly stamped (if required); and
  - (F) delivered for registration to the Registered Office or such other place as the Board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer of a share, for which a certificate has not been issued, by a person in respect of whom the Company is not required by the Act to complete and have ready for delivery a share certificate, and except in the case of a renunciation) and any other evidence as the Board may reasonably require to prove the title to such share of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of such person to do so,

provided that the Board shall not refuse to register any transfer or renunciation of any certificated shares listed on the Official List on the ground that they are partly paid in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis.

- 36.2 If the Board refuses to register a transfer or renunciation pursuant to this Article 36, it shall, within two months after the date on which the transfer or renunciation was delivered to the Company, send notice of the refusal to the transferee or renouncee. An instrument of transfer or renunciation that the Board refuses to register shall (except in the case of suspected fraud) be returned to the person delivering it. All instruments of transfer which are registered may, subject to these Articles, be retained by the Company.

### **37. REGISTRATION OF AN UNCERTIFICATED SHARE TRANSFER**

- 37.1 The Board shall register a transfer of title to any uncertificated share or the renunciation or transfer of any renounceable right of allotment of a share which is a Participating Security

held in uncertificated form in accordance with the Uncertificated Securities Regulations, except that the Board may refuse (subject to any relevant requirements of (to the extent applicable) the Listing Rules, the UKLA and/or the London Stock Exchange) to register any such transfer or renunciation which is in favour of more than four persons jointly or in any other circumstance permitted by the Uncertificated Securities Regulations.

- 37.2 In accordance with and subject to the provisions of the Uncertificated Securities Regulations, where title to an uncertificated share is transferred by means of an Uncertificated System to a person who is to hold such share in certificated form thereafter, the Company as participating issuer shall register the transfer in accordance with the relevant Operator instruction, but so that the Company may refuse to register such a transfer in any circumstance permitted by the Uncertificated Securities Regulations.
- 37.3 If the Board refuses to register any such transfer or renunciation the Company shall, within two months after the date on which the instruction relating to such transfer or renunciation was received by the Company, send notice of the refusal to the transferee or renouneece.

### **38. RENUNCIATION OF ALLOTMENTS**

The Board may, at its discretion, recognise and give effect to a renunciation of the allotment of any share by the allottee in favour of some other person.

### **39. NO FEE ON REGISTRATION**

No fee shall be charged for the registration of a transfer of a share or the renunciation of a renounceable letter of allotment or other document relating to or affecting the title to any share.

## **TRANSMISSION OF SHARES**

### **40. ON DEATH**

If a member dies, the survivors or survivor where he was a joint holder, or his personal representatives where he was the sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles shall release the estate of a deceased holder from any liability in respect of a share which has been held by him solely or jointly.

### **41. ELECTION OF PERSON ENTITLED BY TRANSMISSION**

- 41.1 A person becoming entitled to a share in consequence of the death or bankruptcy of a member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the Board may require, elect either to become registered as the holder of such share or to have some person nominated by him so registered. If he elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have some other person registered, he shall:

- (A) in the case of a certificated share, execute an instrument of transfer of such share to such person; and
- (B) in the case of an uncertificated share, either:
  - (1) procure that all appropriate instructions are given by means of the Uncertificated System to effect the transfer of such share to such person; or

- (2) change the uncertificated share to certificated form and then execute an instrument of transfer of such share to such person.
- 41.2 All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer or instructions (as the case may be) referred to in Article 41.1 as if the notice were an instrument of transfer and as if the instrument of transfer was executed, or the instructions were given, by the member and the event giving rise to the transmission had not occurred.
- 41.3 The Board may give notice requiring a person to make the election referred to in Article 41.1. If such notice is not complied with within sixty days, the Board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

#### **42. RIGHTS ON TRANSMISSION**

A person becoming entitled by transmission to a share shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as its holder, be entitled in respect of it to receive notice of, or to attend or vote at, any general meeting or at any separate meeting of the holders of any class of shares.

### **GENERAL MEETINGS**

#### **43. GENERAL MEETINGS**

- 43.1 Without prejudice to the requirement under the Act to convene an annual general meeting in each year, the Board may convene a general meeting whenever it thinks fit. A general meeting shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by sections 303 to 305 of the Act and no business shall be transacted at such meeting except that stated by the requisition or proposed by the Board. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director may convene a general meeting.
- 43.2 The Board shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so:
  - (A) by means of electronic facility or facilities pursuant to Article 44 (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances), but that nothing in these articles of association permits a general meeting to be held exclusively and solely on an electronic basis; and/or
  - (B) by simultaneous attendance and participation at a satellite meeting place or places pursuant to Article 45.11.
- 43.3 If, at any general meeting at which members are entitled to participate by means of electronic facility or facilities determined by the Board pursuant to Article 44, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.



#### **44. GENERAL MEETINGS BY ELECTRONIC ATTENDANCE**

44.1 Without prejudice to Article 45.11, the Board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

- (A) participate in the business for which the meeting has been convened;
- (B) hear all persons who speak at the meeting; and
- (C) be heard by all other persons attending and participating in the meeting.

#### **45. NOTICE OF GENERAL MEETINGS**

45.1 An annual general meeting shall be convened by not less than twenty-one (21) clear days' notice.

45.2 All general meetings other than annual general meetings shall be convened by not less than fourteen (14) clear days' notice.

45.3 Subject to the Act and notwithstanding that it is convened by shorter notice than that specified in Article 45.1 and Article 45.2, a general meeting shall be deemed to have been duly convened if it is so agreed:

- (A) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
- (B) in the case of any other general meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

45.4 The notice of meeting shall specify:

- (A) if applicable, that the general meeting is to be the annual general meeting;
- (B) the place, the day and the time of the meeting;
- (C) subject to the requirements of (to the extent applicable) the Listing Rules, the UKLA and/or the London Stock Exchange, the general nature of the business to be transacted;
- (D) if the meeting is convened to consider a special resolution, the intention to propose the resolution as such; and
- (E) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.

45.5 The notice of meeting:

- (A) shall be given to the members (other than a member who, under these Articles or any restrictions imposed on any shares, is not entitled to receive notice from the Company), by the Directors;
  - (B) shall include a statement giving the address of the website on which the information required by section 311A of the Act is published;
  - (C) shall include a statement of the procedures with which members must comply in order to be able to attend and vote at the meeting (including the date by which they must comply);
  - (D) shall include a statement giving details of any forms to be used for the appointment of a proxy;
  - (E) may include a statement for the procedure for members to vote in advance or by electronic means (including the date by which it must be done and details of any forms to be used);
  - (F) shall include a statement of the right of members to ask questions in accordance with section 319A of the Act; and
  - (G) shall specify a time by which a person must be entered on the Register of Members in order for such person to have the right to attend or vote at the meeting (subject to the Uncertificated Securities Regulations if the Company is then a participating issuer for the purpose of the Uncertificated Securities Regulations).
- 45.6 Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.
- 45.7 Pursuant to section 311A of the Act, the following information relating to the meeting will be made available on the website identified in the notice of meeting:
- (A) the matters set out in the notice of the meeting;
  - (B) the total numbers of shares in the Company and the shares of each class in respect of which members are entitled to exercise voting rights at the meeting;
  - (C) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class; and
  - (D) members' statements, resolutions and matters of business received by the company after the first date on which notice of the meeting is given.
- The information must be made available on or before the first date on which notice of the meeting is given or in the case of the information identified at (D), as soon as reasonably practicable. The information must be kept available throughout the period of two years beginning with the date on which it is first made available on the website.
- 45.8 The Board may determine that the members entitled to receive notice of a meeting are those persons entered on the Register of Members at a time determined by the Board (subject to the Uncertificated Securities Regulations if the Company is then a participating issuer for the purpose of the Uncertificated Securities Regulations) which shall not be more than 48 hours before the time fixed for the meeting excluding any part of any day that is not a working day.

Changes to entries on the register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote.

- 45.9 The accidental omission to send or give a notice of meeting or, in cases where it is intended that it be sent out or given with the notice, an instrument of proxy or any other document to, the failure to give notice due to circumstances beyond the Company's control, or the non-receipt of any such item by, any person entitled to receive any such item shall not invalidate the proceedings at that meeting.
- 45.10 If the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting at the time or place specified in the notice calling the general meeting, or by means of electronic facility or facilities specified in the notice, it may move and/or postpone the general meeting to another time and/or place (or in the case of a general meeting to be held at a principal meeting place, and one or more satellite meeting places, to such other places) and/or change the electronic facility or facilities. When a meeting is so moved and/or postponed, notice of the time and place of the moved and/or postponed meeting shall (if practical) be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such moved and/or postponed meeting is not required. The Board must take reasonable steps to ensure that members trying to attend the general meeting at the original time and/or place are informed of the new arrangements for the general meeting. Proxy forms can be delivered as specified in Article 60 until 48 hours before the rearranged meeting. Any postponed and/or moved meeting may also be postponed and/or moved under this Article 45.
- 45.11 Without prejudice to Article 44, the Board may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance (including through electronic facility) and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the general meeting in question, and the meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to:
- (A) participate in the business for which the meeting has been convened;
  - (B) hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and
  - (C) be heard by all other persons so present in the same way,
- and the meeting shall be deemed to take place at the place where the chairman of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these Articles (including by way of electronic facility or facilities) as a satellite meeting). The chair shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the chairman shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting as referred to in Article 52.
- 45.12 All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement for the chairman to adjourn a general meeting in accordance with the provisions of Article 52, any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

#### **46. QUORUM FOR GENERAL MEETING**

No business shall be transacted at a general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be not less than two qualifying persons, unless (i) each is a qualifying person only because he is authorised under section 323 of the Act to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation, or (ii) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member. For the purposes of this Article, a "**qualifying person**" means (i) an individual who is a member of the Company, (ii) a person authorised under section 323 of the Act to act as the representative of a corporation in relation to the meeting, or (iii) a person appointed as a proxy of a member in relation to the meeting. The absence of a quorum will not prevent the appointment of a chairman of the meeting. Such appointment shall not be treated as being part of the business of the meeting.

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

47.1 If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the holding of the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting:

- (A) if convened on the requisition of members, shall be dissolved; and
- (B) in any other case shall stand adjourned for no less than 10 clear days to such other day and at such other time and place as the chairman (or, in default, the Board) may decide.

47.2 If at such adjourned meeting a quorum is not present within five minutes after the time appointed for holding it one person entitled to vote on the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation of a member, shall be a quorum.

#### **48. CHAIRMAN OF GENERAL MEETING**

48.1 The chairman (if any) of the Board or, in his absence, the vice chairman (if any) shall preside as chairman at a general meeting. If there is no chairman or vice chairman, or if at a meeting neither is present within five minutes after the time fixed for the start of the meeting, or neither is willing to act, the Directors present shall select one of their number to be chairman of the meeting. If only one Director is present and willing to act, he shall be chairman of the meeting. In default, the members present in person and entitled to vote shall choose one of their number to be chairman of the meeting.

48.2 Without prejudice to any other power that he may have under the provisions of the Articles or at common law, the chairman may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

#### **49. RIGHTS OF DIRECTORS AND OTHERS TO ATTEND MEETINGS**

49.1 A Director (and any other person invited by the chairman of the meeting to do so) shall be entitled to attend and speak at a general meeting and at a separate meeting of the holders of any class of shares, whether or not he is a member.

- 49.2 The chairman may invite any person to attend and speak at any general meeting where he considers that this will assist in the deliberations of the meeting.

## **50. ACCOMMODATION OF MEMBERS AT MEETING**

If it appears to the chairman of the meeting that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting will be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able (whether at the meeting place or elsewhere):

- (A) to participate in the business for which the meeting has been convened;
- (B) to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise); and
- (C) to be heard and seen by all other persons present in the same way.

## **51. SECURITY**

- 51.1 In addition to any measures which the Board may be required to take due to the location or venue of the meeting, the Board may make any arrangement and impose any restriction it considers appropriate and reasonable in the circumstances to ensure the security of a meeting including, without limitation, the searching of any person attending the meeting and the imposing of restrictions on the items of personal property that may be taken into the meeting place. The Board may refuse entry to, or eject from, (in each case, either physically or electronically) a meeting a person who refuses to comply with any such arrangements or restrictions.

- 51.2 If a general meeting is held partly by means of an electronic facility or facilities pursuant to Article 45.11, the Board and the chairman may make any arrangement and impose any requirement or restriction that is:

- (A) necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication; and
- (B) in its or his or her view, proportionate to those objectives,

and, to that end, the Board may authorise any voting application, system or facility for attendance and participation as it sees fit.

## **52. POWER TO ADJOURN**

- 52.1 The chairman of the meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time (or indefinitely) and from place to place (or, in the case of a meeting held at a principal meeting place and one or more satellite meeting places, such other places) and/or from such electronic facility or facilities for attendance and participation to such other electronic facility or facilities as the meeting shall determine.

- 52.2 Without prejudice to any other power of adjournment which the chairman of the meeting may have under these Articles, at common law or otherwise, the chairman may, without the consent of the meeting, adjourn the meeting from time to time (or indefinitely) and from place to place (or, in the case of a meeting held at a principal meeting place and one or more satellite meeting places, such other places) and/or from such electronic facility or facilities for

attendance and participation to such other electronic facility or facilities if he decides that it is necessary or appropriate to do so in order to:

- (A) secure the proper and orderly conduct of the meeting; or
- (B) give all persons entitled to do so an opportunity of attending the meeting; or
- (C) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
- (D) ensure that the business of the meeting is properly concluded or disposed of, including (without limitation) for the purpose of determining the result of a poll.

### **53. NOTICE OF ADJOURNED MEETING**

- 53.1 Whenever a meeting is adjourned for thirty (30) days or more or indefinitely, at least seven clear days' notice, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Except in these circumstances, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.
- 53.2 The Board may determine that persons entitled to receive notice of an adjourned meeting in accordance with this Article 53 are those persons entered on the register at the close of business on a day determined by the Board, provided that, if the Company is a participating issuer, the day determined by the Board may not be more than 21 days before the day that the relevant notice of meeting is being sent.
- 53.3 The notice of an adjourned meeting given in accordance with this Article 53 may also specify a time (which, if the Company is a participating issuer, shall not be more than 48 hours before the time fixed for the meeting excluding any part of any day that is not a working day) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote.

### **54. BUSINESS OF ADJOURNED MEETING**

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

## **VOTING**

### **55. VOTING AT A GENERAL MEETING**

- 55.1 At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded by either:
  - (A) the chairman of the meeting;
  - (B) at least five members having the right to vote on the resolution;
  - (C) a member or members representing not less than ten per cent. (10%) of the total voting rights of all the members having the right to vote on the resolution;

- (D) a member or members holding shares conferring a right to vote on the resolution on which an aggregate sum has been paid up equal to not less than ten per cent, (10%) of the total sum paid up on all the shares conferring that right; or
  - (E) the requirements of Article 55.2.
- 55.2 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates.
- 55.3 Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution 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 minutes of the meeting, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 55.4 A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman of the meeting. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 55.5 Each Preference Share entitles the holder to receive notice of, but does not entitle the holder to attend and vote at, general meetings of the Company unless:
- (A) the business of the meeting includes consideration of a resolution for the winding-up of the Company or any resolution directly or indirectly modifying or varying any of the special rights, privileges or restrictions attached to the Preference Shares; or
  - (B) following the Redemption Date in respect of that Preference Share calculated in accordance with Article 5.2 and delivery to the Company of the relevant documents under Article 5.4 in respect of that Preference Share in accordance with that Article, the Company does not pay to the holder of that share the amount due in respect of the redemption of that Preference Share.
- 55.6 If a holder of a Preference Share is entitled to attend and vote as a result of Article 55.5(B) above, he may vote in respect of any resolution considered at the meeting.
- 55.7 If a holder of a Preference Share is entitled to attend and vote as a result of Article 55.5(A) above, he may vote in respect of a resolution referred to in Article 55.5(A) only.

## **56. POLL PROCEDURE**

- 56.1 No poll shall be demanded on the election of a chairman of a meeting or (except with the consent of the chairman of the meeting) on any question of adjournment. A poll duly demanded on a question of adjournment shall be taken forthwith and a poll on any other matter shall be taken either forthwith or at such time and place, not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman shall direct. The chairman may direct the manner in which a poll shall be taken and may appoint scrutineers who need not be members. No notice need be given of a poll not taken immediately if the 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 time and place at which the poll is to be taken (including by means of

such electronic facility or facilities). The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

56.2 The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.

56.3 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, use all his votes or cast all the votes he uses in the same way.

## **57. VOTES OF MEMBERS**

57.1 Subject to any rights or restrictions attaching to any shares:

(A) on a show of hands every member who is entitled to vote on the relevant matter and who (being an individual) is present in person or by duly appointed proxy or (being a corporation) is present by a duly authorised representative who is not himself a member entitled to vote or by duly authorised representatives who are not themselves members entitled to vote shall have one vote (For the avoidance of doubt, a proxy who has been appointed by more than one member and has been instructed by one or more of those members to vote for the resolution and by one or more members to vote against the resolution, has one vote for and one vote against the resolution only. A proxy appointed by more than one member will not be restricted by the instructions to vote for or against the resolution he has received from casting a second vote the opposing way under discretionary authority given by other members.); and

(B) on a poll every member who (being an individual) is present in person or by duly appointed proxy or (being a corporation) is present by duly authorised representative(s) or by duly appointed proxy(ies) shall have one vote for every share of which he is the holder.

57.2 In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders. Seniority shall be determined by the order in which the names of the holders stand in the Register of Members in respect of the joint holding.

57.3 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 or incapacity may vote, on a show of hands or on a poll, by his guardian or other person duly authorised to act on his behalf, who may vote on a poll by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming the right to vote shall be deposited at the Registered Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 hours (excluding any day that is not a working day) before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

57.4 Notwithstanding section 324A of the Act, the Company is under no obligation to check whether proxies or corporate representatives are voting in accordance with any instructions of the appointor and that votes will not be invalidated should instructions not be followed.

## **58. CHAIRMAN'S CASTING VOTE**

In the case of an equality of votes, either on a show of hands or on a poll, for the avoidance of doubt the chairman of the meeting shall not be entitled to a further or casting vote in addition to any other vote he may have or be entitled to exercise.



## **59. VOTING RESTRICTIONS ON AN OUTSTANDING CALL**

Unless the Board decides otherwise, no member shall be entitled to be present or vote at any meeting either personally or by proxy until he has paid all calls due and payable on every share held by him whether alone or jointly with any other person together with interest and expenses (if any) to the Company.

## **60. PROXY INSTRUMENT**

60.1 The appointment of a proxy shall be in any usual form or in any other form which the Board may approve and, in the case of an instrument in writing, shall be executed by or on behalf of the appointor. In the case of an instrument in writing, a corporation may execute a form of proxy either under its common seal (or in any other manner permitted by law and having the same effect as if executed under seal) or under the hand of a duly authorised officer, attorney or other person. A member may appoint more than one proxy to attend on the same occasion, but only one proxy may be appointed in respect of any one share. The appointment of a proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. A form of proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting to which it relates. The appointment of a person as proxy for a member must be notified to the Company in writing.

60.2 The appointment of a proxy and any authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the Board may:

(A) in the case of an instrument in writing be deposited at the Registered Office or at such other place in the United Kingdom as is specified in the notice convening the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting, not less than 48 hours before (excluding any day that is not a working day) the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(B) in the case of an appointment contained in an electronic communication, be received at the address specified for the purpose of receiving electronic communications:

(1) in any instrument of proxy sent out by the Company in relation to the meeting; or

(2) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting; or

(3) as has been made available, throughout the period beginning with the first date in which the notice of the meeting is given and ending with the conclusion of the meeting, on the website on which the information required by section 311A(1) of the Act is made available;

not less than 48 hours (excluding any day that is not a working day) before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any document or information relating to proxies may be sent by electronic means to that such electronic address, subject to any conditions or limitations specified by the Company when providing the address;

(C) in the case of a poll taken more than 48 hours (excluding any day that is not a working day) after it was demanded, be deposited or received at the place referred to in Article 60(A) and (B) after the poll has been demanded and not less than 24 hours

(excluding any day that is not a working day) before the time appointed for taking the poll; or

- (D) where the poll is not taken forthwith but is taken not more than 48 hours (excluding any day that is not a working day) after it was demanded, be delivered at the meeting to the chairman of the meeting, the Secretary or any Director,

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid (unless the Board, in its absolute discretion in relation to any such appointment, waives any such requirement and decides to treat such appointment as valid). The appointment of a proxy will not be valid after twelve (12) months from its date or the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date.

- 60.3 When two or more valid but differing appointments of proxy are delivered or 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 delivered or received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
- 60.4 An appointment of proxy shall be deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote, on a poll, on a resolution or a motion or an amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given or any adjournment of any such meeting, as the proxy thinks fit. Such appointment shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.
- 60.5 The Board may at the expense of the Company send forms of appointment of proxy to the members by post, by electronic communication or otherwise (with or without provision for their return by pre-paid post) for use at any general meeting or at any separate meeting of the holders of any class of shares, either blank or nominating as proxy in the alternative any one or more of the Directors or any other person. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent notice of the meeting and to vote at it. The accidental omission to send such a form of appointment or to give such an invitation to, the failure to send such form due to circumstances beyond the Company's control or the non-receipt of such form of appointment by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

In this Article 60 the next, "address", in relation to documents in electronic form, includes any number or address used for the supply of documents in electronic form.

## **61. TERMINATION OF PROXY OR CORPORATE AUTHORITY**

A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was received by the Company at the Registered Office, or at such other place at which the instrument of proxy was duly deposited, or, where the appointment of proxy was contained in an electronic communication, at the address at which such appointment was duly received, at least one hour before the commencement of the meeting or adjourned meeting at which the vote is given or

the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) at least one hour before the time appointed for taking the poll.

## **62. CORPORATE REPRESENTATIVES**

A corporation which is a member may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person or persons so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. If more than one person is authorised by a corporation, such corporate representatives of that corporation may exercise their powers on behalf of the corporation in a different manner in respect of different shares held by the corporation but not in respect of the same shares. The corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it. All references in these Articles to attendance and voting in person shall be construed accordingly. A Director, the Secretary or some other person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to such person before permitting him to exercise his powers.

## **63. AMENDMENT TO RESOLUTIONS**

- 63.1 If an amendment shall be proposed to any resolution but shall in good faith be ruled out of order by the chairman of the meeting, any error in such ruling shall not invalidate the proceedings on the substantive resolution.
- 63.2 In the case of a resolution duly proposed, no amendment to it (other than an amendment to correct a patent error) may be considered or voted on unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such resolution is to be proposed notice in writing of the terms of the amendment and intention to move it has been lodged at the Registered Office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.
- 63.3 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effective as if it had been passed at a general meeting duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more members.

## **64. OBJECTION TO ERROR IN VOTING**

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any such objection or error shall be referred to the chairman of the meeting (whose decision shall be final and conclusive), who shall not be obliged to take it into account unless he considers it to be of sufficient magnitude to affect the decision of the meeting. The chairman's decision on such matters shall be final and binding on all concerned.

## **FAILURE TO DISCLOSE INTERESTS IN SHARES**

### **65. FAILURE TO DISCLOSE INTERESTS IN SHARES**

- 65.1 For the purpose of this Article 65:

- (A) **"Exempt Transfer"** means, in relation to shares held by a member:
  - (1) a transfer pursuant to acceptance of a takeover offer (as defined in section 974 of the Act) for the Company or in relation to any of its shares;
  - (2) a transfer in consequence of a sale made through the London Stock Exchange or any investment exchange selected by the Company outside the United Kingdom on which any shares are normally traded; or
  - (3) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale in good faith of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares;
- (B) **"interested"** is construed as it is for the purpose of section 793 of the Act;
- (C) a person, other than the member holding a share, shall be treated as appearing to be interested in such share if the member has informed the Company that the person is or may be so interested, or if the Company (after taking account of 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;
- (D) reference to a person having failed to give to the Company information required by a section 793 notice, or being in default of supplying such information, includes references to his having:
  - (1) failed or refused to give all or any part of such information; and
  - (2) given information which he knows to be false in a material particular or recklessly given information which is false in a material particular; and
- (E) **"transfer"** means a transfer of a share or (where applicable) a renunciation of a renounceable letter of allotment or other renounceable document of title relating to a share.

65.2 Where notice is given by the Company under section 793 of the Act (a **"section 793 notice"**) to a member, or another person appearing to be interested in shares held by such member, and the member or other person has failed in relation to any shares (**"Default Shares"**), which expression applies also to any shares issued after the date of the section 793 notice in respect of those shares and to any other shares registered in the name of such member at any time whilst the default subsists) to give the Company the information required within fourteen (14) clear days after the date of the section 793 notice, unless the Board otherwise decides:

- (A) the member is not entitled in respect of the Default Shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll; and
- (B) where the Default Shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
  - (1) a dividend (or any part of a dividend) payable in respect of the Default Shares (except on a winding up of the Company) may be withheld by the Company, which shall have no obligation to pay interest on such dividend;

- (2) the member shall not be entitled to elect, pursuant to Article 128 (scrip dividends) or otherwise, to receive shares instead of a dividend; and
- (3) the Board may, in its absolute discretion, refuse to register the transfer of any Default Shares (subject, in the case of any uncertificated shares, to the Uncertificated Securities Regulations) unless:
  - (a) the transfer is an Exempt Transfer; or
  - (b) the member is not himself in default in supplying the information required and proves to the satisfaction of the Board that no person in default of supplying the information required is interested in any of the shares which are the subject of the transfer.

65.3 The sanctions under 65.2 shall cease to apply seven days after the earlier of:

- (A) receipt by the Company of notice of an Exempt Transfer, but only in relation to the shares transferred; and
- (B) receipt by the Company, in a form satisfactory to the Board, of all the information required by the section 793 notice.

65.4 The Board may:

- (A) give notice in writing to any member holding Default Shares in uncertificated form requiring the member:
  - (1) to change his holding of such shares from uncertificated form into certificated form within a specified period; and
  - (2) then to hold such Default Shares in certificated form for so long as the default subsists; and
- (B) appoint any person to take any steps, by instruction by means of the Uncertificated System or otherwise, in the name of any holder of Default Shares as may be required to change such shares from uncertificated form into certificated form (and such steps shall be effective as if they had been taken by such holder).

65.5 The provisions of this Article 65 are in addition and without prejudice to the provisions of the Act, and in particular shall not prevent the Company from making an application for restrictions to be placed on any shares under section 794 of the Act.

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

### **66. NUMBER OF DIRECTORS**

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than alternate Directors) shall be not less than two in number. The Company may from time to time by ordinary resolution fix a maximum number of directors and from time to time vary that maximum number.

### **67. NO SHARE OR AGE QUALIFICATION**

67.1 A Director need not hold any shares but shall be entitled to receive notice of, attend and speak at all general meetings of the Company and of any class of members of the Company.

- 67.2 Any statutory provision which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a director or liable to vacate office as a director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any director over a specified age shall not apply to the Company.

**68. COMPANY'S POWER TO APPOINT DIRECTORS**

- 68.1 Subject to these Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the existing Directors, subject to the total number of Directors not exceeding any maximum number fixed by or in accordance with these Articles.
- 68.2 A resolution for the appointment of two or more persons as Directors by a single resolution at a general meeting shall be void unless an ordinary resolution that the resolution for appointment be proposed in such way has first been agreed to by the meeting without any vote being given against it.

**69. BOARD'S POWER TO APPOINT DIRECTORS**

- 69.1 Without prejudice to the Company's power to appoint a person to be a Director pursuant to these Articles, the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, subject to the total number of Directors not exceeding any maximum number fixed by or in accordance with these Articles.
- 69.2 Any Director so appointed after the date of adoption of these Articles shall, if still a Director, retire at the next annual general meeting after his appointment and be eligible to stand for election as a Director at such meeting. Such person shall not be taken into account in determining the number or identity of Directors who are to retire by rotation at such meeting.

**70. APPOINTMENT OF EXECUTIVE DIRECTORS**

Subject to the Act, the Board may appoint one or more of its members to an executive office or other position of employment with the Company for such term (subject to the Act) and on any other conditions the Board thinks fit. The Board may revoke, terminate or vary the terms of any such appointment, without prejudice to a claim for damages for breach of contract between the Director and the Company.

**71. ELIGIBILITY OF NEW DIRECTORS**

No person, other than a Director retiring (by rotation or otherwise), shall be appointed or re-appointed a Director at any general meeting unless:

- (A) he is recommended for appointment by the Board; or
- (B) not less than seven nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting, a notice executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the Company at the Registered Office of the intention to propose such person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors, accompanied by a notice executed by that person of his willingness to be appointed or re-appointed.

## **72. ROTATIONAL RETIREMENT AT ANNUAL GENERAL MEETING**

- 72.1 Each Director is subject to retirement by rotation in accordance with these Articles, subject to Article 73.2 (Position of Retiring Director).
- 72.2 At each annual general meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three nor a multiple of three, the number nearest to but not exceeding one-third, shall retire from office. If there are fewer than three Directors who are subject to retirement by rotation, one of them shall retire from office at the annual general meeting.
- 72.3 Subject to the Act and these Articles, the Directors to retire by rotation at each annual general meeting shall be, so far as necessary to obtain the number required, first, any Director who wishes to retire and not offer himself for re-election and secondly, those Directors who have been longest in office since their last appointment or re-appointment. As between two or more Directors who have been in office an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business seven days before the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time but before the close of the meeting.
- 72.4 If the Board so decides, one or more other Directors selected by the Board may also retire at an annual general meeting as if any such other Director was also retiring by rotation at that meeting in accordance with these Articles.

## **73. POSITION OF RETIRING DIRECTOR**

- 73.1 A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
- 73.2 At any general meeting at which a Director retires by rotation, the Company may fill the vacancy and, if it does not do so, the retiring Director shall, if willing, be deemed to have been re-appointed unless it is expressly resolved not to fill the vacancy or a resolution for the re-appointment of the Director is put to the meeting and lost.

## **74. REMOVAL BY ORDINARY RESOLUTION**

In addition to any power of removal under the Act and subject to the Act, the Company may:

- (A) by ordinary resolution remove any Director before the expiration of his period of office, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company; and
- (B) by ordinary resolution appoint another person who is willing to act to be a Director in his place (subject to these Articles).

Any person so appointed shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or re-appointed a Director.

## **75. VACATION OF DIRECTOR'S OFFICE**

- 75.1 Without prejudice to the provisions in these Articles for retirement (by rotation or otherwise) the office of a Director shall be vacated if:
- (A) he resigns by notice in writing delivered to the Secretary at the Registered Office or tendered at a Board meeting;
  - (B) he only held office as a Director for a fixed term and such term expires;
  - (C) he ceases to be a Director by virtue of any provision of the Act, is removed from office pursuant to these Articles or the Act or becomes prohibited by law from being a Director;
  - (D) he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally or applies to the court for an interim order in connection with a voluntary arrangement under any legislation relating to insolvency;
  - (E) a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
  - (F) by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights that he would otherwise have;
  - (G) he is absent, without permission of the Board, from Board meetings for six consecutive months (whether or not an alternate Director attends in his place) and the Board resolves that his office be vacated;
  - (H) he is removed from office by notice in writing addressed to him at his address as shown in the Company's register of directors and signed by not less than three-quarters of all the Directors in number (without prejudice to any claim for damages which he may have for breach of contract against the Company); or
  - (I) in the case of a Director who holds executive office, his appointment to such office is terminated or expires and the Board resolves that his office be vacated.
- 75.2 A resolution of the Board declaring a Director to have vacated office pursuant to this Article 75 shall be conclusive as to the fact and grounds of vacation stated in the resolution.
- 75.3 If the office of a Director is vacated for any reason, he shall cease to be a member of any committee of the Board.
- 75.4 In this Article 75, delivery of notice may be in writing, including the use of electronic communications subject to such terms and conditions as the Board may decide.

## **ALTERNATE DIRECTORS**

### **76. APPOINTMENT**

- 76.1 A Director (other than an alternate Director) may appoint any other Director or any person approved for that purpose by the Board and willing to act, to be his alternate by notice in



writing delivered to the Secretary at the Registered Office, or in any other manner approved by the Board.

The appointment of an alternate Director who is not already a Director shall:

- (A) require the approval of either a majority of the Directors or the Board by way of a Board resolution; and
- (B) not be effective until his consent to act as a Director in the form prescribed by the Act has been received at the Registered Office.

76.2 An alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum or minimum number of Directors allowed by these Articles.

## **77. RESPONSIBILITY**

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

## **78. PARTICIPATION AT BOARD MEETINGS**

An alternate Director shall (subject to his giving to the Company an address within the United Kingdom or the Republic of Ireland at which notices may be served on him) be 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 the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (other than the power to appoint an alternate Director). A Director acting as alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director, but he shall count as only one for the purpose of determining whether a quorum is present.

## **79. INTERESTS**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified in the same way and to the same extent as a Director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the Company direct. Subject to this Article 79, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director.

## **80. TERMINATION OF APPOINTMENT**

An alternate Director shall cease to be an alternate Director:

- (A) if his appointor revokes his appointment by notice delivered to the Secretary at the Registered Office or in any other manner approved by the Board; or
- (B) 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 the alternate Director which was in force immediately before his retirement shall remain in force; or

- (C) if any event happens in relation to him which, if he were a Director, would cause his office as Director to be vacated.

## **BOARD POWERS**

### **81. BOARD POWERS**

Subject to the Act, these Articles and to any directions given by special resolution of the Company, the business 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. No alteration of these Articles nor any such direction shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. The provisions in these Articles giving specific powers to the Board shall not limit the general powers given by this Article 81.

### **82. DIRECTORS BELOW THE MINIMUM NUMBER**

If the number of Directors is less than the minimum prescribed in accordance with these Articles, the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making such appointment. If there are no Director or Directors able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors. Any additional Director so appointed shall hold office (subject to these Articles) only until the dissolution of the annual general meeting next following such appointment unless he is re-elected during such meeting.

### **83. DELEGATION TO EXECUTIVE DIRECTORS**

The Board may delegate to a Director holding executive office any of its powers, authorities and discretions for such time and on such terms and conditions as it shall think fit. The Board may grant to a Director the power to sub-delegate, and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the Director. The Board may at any time revoke the delegation or alter its terms and conditions.

### **84. DELEGATION TO COMMITTEES**

- 84.1 The Board may delegate any of its powers, authorities and discretions (including, without limitation, those relating to the payment of monies or other remuneration to, and the conferring of benefits on, a Director) for such time and on such terms and conditions as it shall think fit to a committee consisting of one or more Directors and (if thought fit) one or more other persons. The Board may grant to the committee the power to sub-delegate, and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the committee. The Board may at any time revoke the delegation or alter its terms and conditions or discharge the committee in whole or in part. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the Board and that power, authority or discretion has been delegated by the Board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

- 84.2 The Board's power under these Articles to delegate to a committee:

- (A) includes (without limitation) the power to delegate the determination of any fee, remuneration or other benefit to be paid or provided to any Director; and

- (B) is not limited by the fact that in some Articles but not others express reference is made to particular powers being exercised by the Board or by a committee.

**85. LOCAL MANAGEMENT**

The Board may establish local or divisional boards, agencies or branch offices for managing the affairs of the Company in a specified locality, either in the United Kingdom or elsewhere, and may appoint persons to be members of a local or divisional board, agency or branch office and may fix their remuneration. The Board may delegate to a local or divisional board, agency or branch office any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. The Board may grant to such local or divisional board, agency or branch office the power to sub-delegate, may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the local or divisional board, agency or branch office and may authorise the members of a local or divisional board, agency or branch (or any of them) to fill a vacancy or to act despite a vacancy. The Board may at any time revoke or alter the terms and conditions of the appointment or delegation. Subject to the terms and conditions imposed by the Board, the proceedings of a local or divisional board, agency or branch office with two or more members are governed by those Articles that regulate the proceedings of the Board, so far as applicable.

**86. DELEGATION TO AGENTS**

The Board may, by power of attorney or otherwise, appoint a person to be the agent of the Company and may delegate to such person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. The Board may grant the power to sub-delegate and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the agent. The Board may at any time revoke or alter the terms and conditions of the appointment or delegation.

**87. EXERCISE OF VOTING POWER**

The Board may exercise or cause to be exercised the voting power conferred by shares in any other body corporate held or owned by the Company, or any power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of the voting power 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).

**88. PROVISION FOR EMPLOYEES**

The Board may exercise any power conferred on the Company by the Act to make provision for the benefit of persons employed or formerly employed by any Group Undertaking (or any member of his family or any person who is dependent on him) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of such Group Undertaking.

**89. OVERSEAS REGISTERS**

Subject to the Act and the Uncertificated Securities Regulations, the Board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch, local or other register in relation to members and may make and vary such regulations as it thinks fit concerning the keeping of any such register.

## 90. ASSOCIATE DIRECTORS

The Board may appoint any person (not being a Director) to any office or employment having a designation or title including the word "**director**" or attach to any existing office or employment with the Company such designation or title and may terminate any such appointment or the use of such designation or title. The inclusion of the word "**director**" in the designation or title of any such office or employment shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a Director for any of the purposes of the Act or these Articles.

## 91. BORROWING POWERS

91.1 Subject to this Article 91, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the Act, to create and issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party.

91.2 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 so as to ensure (as regards subsidiary undertakings, to the extent possible by such exercise) that the aggregate principal amount outstanding in respect of Monies Borrowed by Group Undertakings does not at any time, without the previous sanction of an ordinary resolution, exceed the higher of (i) a sum equal to five times the Adjusted Capital and Reserves (as defined below) and (ii) £1,000,000,000.

91.3 In this Article:

(A) "**Adjusted Capital and Reserves**" means a sum equal to the aggregate of:

- (1) the amount paid up on the Company's share capital; and
- (2) the amount standing to the credit or debit of the Group's consolidated reserves (including any share premium account, capital redemption reserve, minority interests and revaluation reserve),

all as shown in the consolidated balance sheet but after:

- (3) making all adjustments which are in the opinion of the Board, necessary or appropriate to take account of:
  - (a) a change in the amount paid up on the Company's share capital or the amount standing to the credit or debit of the Group's consolidated reserves arising out of the allotment of shares (for this purpose if a proposed allotment of shares has been underwritten, 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 by the date six months following allotment shall be deemed to have been paid up to the extent underwritten on the date on which the issue of those shares was underwritten or, if the underwriting was conditional, the date on which it became unconditional); and
  - (b) other changes in circumstances since the date of the consolidated balance sheet; and

- (4) excluding (so far as not already excluded):
    - (a) amounts attributable to such issued equity capital of any subsidiary undertaking as is not attributable, directly or indirectly, to the Company;
    - (b) any sum set aside for taxation (other than deferred taxation);
  - (5) deducting (so far as not already deducted or provided for):
    - (a) sums equivalent to the book values of goodwill and other intangible assets as would be shown in the consolidated balance sheet (as adjusted in accordance with this Article) after adding back the amount of goodwill that would have remained on the consolidated balance sheet (as adjusted) if all goodwill arising on acquisitions of Group Undertakings since the Company's incorporation which has been written off against reserves in accordance with generally accepted accounting practice in the United Kingdom had been carried on the balance sheet as an asset and amortised on a straight-line basis over twenty (20) years (or such longer period, as decided by the Board, as may be in accordance with generally accepted accounting practice in the United Kingdom); and
    - (b) the amount of a distribution declared, recommended or paid by a Group Undertaking to a person other than a Group Undertaking out of profits accrued up to and including the date of, but not provided for in, the consolidated balance sheet;
- (B) **"Monies Borrowed"** means all monies borrowed by Group Undertakings including, without limitation:
- (1) the principal amount owing in respect of any debentures (even if issued wholly or partly for a non-cash consideration);
  - (2) the nominal amount of and the amount of any premium paid in respect of any allotted share capital (not being equity share capital) of a Group Undertaking other than the Company not beneficially owned, directly or indirectly, by another Group Undertaking;
  - (3) any amount raised by acceptance under an acceptance credit facility (other than acceptances relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less);
  - (4) the nominal amount of any issued share capital and the principal amount of any moneys borrowed the redemption or repayment of which is guaranteed or secured or the subject of an indemnity given by any Group Undertaking (except in so far as the benefit of any such guarantee, security or indemnity is held by any Group Undertaking);
  - (5) any amount raised under a note purchase facility;
  - (6) the amount of any liability in respect of a lease or hire purchase contract which would, in accordance with generally accepted accounting standards in the United Kingdom, be treated as a finance or capital lease;

- (7) the amount of any liability in respect of a purchase price for assets or services the payment of which is deferred for a period of more than 90 days; and
- (8) any amount raised under another transaction (including, without limitation, a forward sale or purchase agreement) having the commercial effect of a borrowing;

but excluding:

- (9) borrowings by one Group Undertaking from another;
- (10) borrowings for the purpose of financing a contract to the extent that the price receivable under the contract is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by another person fulfilling a similar function;
- (11) borrowings for the purpose of, and applied within six months of being made in, repaying the whole or part of borrowings that constitute Monies Borrowed, pending their application for such purpose within such period;
- (12) moneys borrowed by a subsidiary undertaking in its capacity as a trustee of any pension fund of any Group Undertaking;

and, in calculating Monies Borrowed, there shall be deducted:

- (13) an amount equal to the aggregate of:
  - (a) all cash in hand and cash deposits repayable on demand with any bank or financial institution (not itself a Group Undertaking); and
  - (b) investments which are readily convertible into known amounts of cash with notice of 48 hours or less,

in each case beneficially owned, directly or indirectly, by a Group Undertaking and whether denominated in sterling or in a currency other than sterling; and

- (C) references to a "**consolidated balance sheet**" or "**consolidated profit and loss account**" are references the Group's latest published audited consolidated balance sheet and profit and loss account or, if the Company has no subsidiary undertakings, the Company's latest published audited balance sheet and profit and loss account and, if the Company has any subsidiary undertakings that have accounts which are not consolidated with the Company's accounts, the respective latest audited published balance sheets and profit and loss accounts of the Company (or, as applicable, the Group on a consolidated basis) and of such subsidiary undertakings.

91.4 To calculate the amount of Monies Borrowed on a particular day, monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:

- (A) at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangements taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those monies (a "**hedging agreement**"); or

- (B) if those monies were borrowed on or before the date of the consolidated balance sheet and repayment of those monies has not been covered by a hedging agreement, at the more favourable to the Company of:
    - (1) the rate of exchange used for the conversion of that currency in the consolidated balance sheet; or
    - (2) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the business day immediately preceding the day on which the calculation is made; or
  - (C) if those monies were borrowed after the date of the consolidated balance sheet and repayment of those monies has not been covered by a hedging agreement, at the more favourable to the Company of:
    - (1) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the date of the consolidated balance sheet; or
    - (2) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the business day immediately preceding the day on which the calculation is made.
- 91.5 The Auditors' written confirmation for the purpose of this Article 91 as to the amount of the Adjusted Capital and Reserves or the aggregate amount of Monies Borrowed shall be conclusive and binding on all concerned. The Board may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves or the aggregate amount of Monies Borrowed without having requested or obtained such written confirmation from the Auditors. If in consequence the limit on Monies Borrowed set out in this Article 91 is inadvertently exceeded, the amount of Monies Borrowed equal to the excess may be disregarded for ninety (90) days after the date on which by reason of a determination of the Auditors or otherwise the Board became aware that this situation has or may have arisen.
- 91.6 No debt incurred or security given in respect of Monies Borrowed in excess of the limit imposed by this Article 91 shall be invalid or ineffectual, except where express notice that the limit has been or will be exceeded has been given to the lender or recipient of the security at the time when the debt is incurred or security given. No lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.
- 91.7 The Company shall keep a register of charges in accordance with the provisions of the Act and the fee to be paid by a person other than a creditor or member for each inspection of the register of charges is the maximum sum prescribed by the provisions of the Act or, failing which, decided by the Board.

## **DIRECTORS' REMUNERATION, EXPENSES AND BENEFITS**

### **92. FEES**

Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the Directors (but not alternate Directors) for their services as Directors such aggregate amount of fees as the Board decides (not exceeding £1,000,000 per annum or such larger amount as the Company may by ordinary resolution decide). The aggregate fees shall be divided among the Directors in such proportions as the Board decides or, if no decision is made, equally. A fee payable to a Director pursuant to this Article 92 shall be distinct from

any salary or remuneration payable to him under a service agreement or other amount payable to him pursuant to other provisions of these Articles and accrues from day to day.

**93. EXPENSES**

A Director may also be paid all travelling, hotel and other expenses properly incurred by him in connection with his attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of any class of shares or otherwise in connection with the discharge of his duties as a Director, including (without limitation) any professional fees incurred by him (with the approval of the Board or in accordance with any procedures stipulated by the Board) in taking independent professional advice in connection with the discharge of such duties.

**94. REMUNERATION OF EXECUTIVE DIRECTORS**

The remuneration and other terms and conditions of appointment of a director appointed as managing director or to any other executive office or employment under the Company shall from time to time (without prejudice to the provisions of any agreement between him and the Company) be fixed by the directors or by any committee appointed by the directors, and may (without limitation) be by way of fixed salary, lump sum, commission on the dividends or profits of the Company (or of any other company in which the Company is interested) or other participation in any such profits or otherwise or by any or all or partly by one and partly by another or others of those modes.

**95. SPECIAL REMUNERATION**

A Director who, at the request of the Board, goes or resides abroad, makes a special journey or performs a special service on behalf of or for the Company (including, without limitation, services as a chairman or vice-chairman of the Board, services as a member of any Board committee and services which the Board considers to be outside the scope of the ordinary duties of a Director) may be paid such reasonable additional remuneration (whether by way of salary, bonus, commission, percentage of profits or otherwise) and expenses as the Board (including, for the avoidance of doubt, the Board acting through a duly authorised Board committee) may decide.

**96. PENSIONS AND OTHER BENEFITS**

The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been a Director, an officer or a director or an employee of a company which is or was a Group Undertaking, a company which is or was allied to or associated with the Company or with a Group Undertaking or a predecessor in business of the Company or of a Group Undertaking (and for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the Board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The Board may arrange for this to be done by the Company alone or in conjunction with another person. A Director or former Director is entitled to receive and retain for his own benefit any pension or other benefit provided in accordance with this Article 96 and is not obliged to account for it to the Company.



## **DIRECTORS' PROCEEDINGS**

### **97. BOARD MEETINGS**

Subject to these Articles, the Board may regulate its proceedings as it thinks fit.

### **98. NOTICE OF BOARD MEETINGS**

A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to his last known address within the United Kingdom or any other address within the United Kingdom given to the Company by him for such purpose or given by electronic communications to an address for the time being notified to the Company by the Director. It shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom unless the Director has notified the Company in writing of an address in the United Kingdom or an address for electronic communications at which notice of such meetings is to be given to him when he is absent from the United Kingdom. A Director may be treated as having waived his entitlement to notice of a meeting of the Board if he has not supplied the Company with the information necessary to ensure that he receives notice of a meeting before it takes place. A Director may waive the requirement that notice of any Board meeting be given to him, either prospectively or retrospectively.

In this Article 98 "**address**", in relation to documents in electronic form, includes any number or address used for the supply of documents in electronic form.

### **99. QUORUM**

No business shall be transacted at any meeting of the Board unless a quorum is present. The quorum may be fixed by the Board and unless so fixed at any other number shall be two. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum. A duly convened Board meeting at which a quorum is present shall be competent to exercise any and all of the authorities, discretions and powers vested in or exercisable by the Board.

### **100. BOARD CHAIRMAN**

The Board may appoint any Director to be, and may remove, a chairman and a vice chairman of the Board. The chairman or, in his absence, the vice chairman, shall preside at all Board meetings. If there is no chairman or vice chairman, or if at a Board meeting neither the chairman nor the vice chairman is present within five minutes after the time appointed for the meeting, or if neither of them is willing to act as chairman, the Directors present may choose any Director present to be chairman of the meeting.

### **101. VOTING**

Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.

### **102. TELEPHONE PARTICIPATION**

A Director or his alternate Director may participate in a meeting of the Board or a committee of the Board through the medium of conference telephone, video conferencing or any other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way shall be

deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the Board or a committee of the Board shall be deemed for the purposes of the Articles to be validly and effectively transacted at a meeting of the Board or a committee of the Board even if one Director only is physically present at any one place. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

### **103. WRITTEN RESOLUTIONS**

103.1 A resolution in writing executed by all the Directors for the time being entitled to receive notice of a Board meeting and in number not being less than a quorum, or by all the members of a committee of the Board for the time being entitled to receive notice of the meetings of such committee and in number not being less than a quorum of such committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee, as the case may be).

103.2 Such a resolution:

- (A) may consist of several documents in the same form each executed by one or more of the Directors or members of the relevant committee, including executions evidenced by facsimile transmission;
- (B) need not be signed by an alternate Director if it is signed by his appointor;
- (C) if signed by an alternate Director, need not also be signed by his appointor; and
- (D) to be effective, need not be signed by a Director who is prohibited by these Articles from voting on it, or by his alternate.

### **104. COMMITTEE PROCEEDINGS**

Proceedings of committees of the Board shall be conducted in accordance with regulations prescribed by the Board (if any). Subject to those regulations, such proceedings shall be conducted in accordance with applicable provisions of these Articles regulating the proceedings of the Board. Where the Board resolves to delegate any of its powers, authorities and discretions to a committee and such resolution states that the committee shall consist of any one or more unnamed Directors, it shall not be necessary to give notice of a meeting of such committee to any Directors other than the Director or Directors who form the committee.

### **105. MINUTES**

105.1 The Board shall cause minutes to be made of:

- (A) all appointments of officers and committees made by the Board and of any such officer's remuneration; and
- (B) the names of Directors present at every meeting of the Board, a committee of the Board, the Company or the holders of any class of shares or debentures, and all orders, resolutions and proceedings of such meetings.

105.2 Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting or the Secretary, shall be prima facie evidence of the matters stated in them.

## **106. VALIDITY OF PROCEEDINGS**

All acts done in good faith by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director, an alternate Director or a committee member shall, notwithstanding that it may be discovered afterwards that there was a defect in the appointment of any person so acting or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, alternate Director or committee member and entitled to vote.

## **INTERESTS OF DIRECTORS**

## **107. PERMITTED INTERESTS**

Subject to the Act and compliance with the next Article 108, a Director, notwithstanding his office:

- (A) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in connection with his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (B) may hold any other office or place of profit under the Company (except that of auditor) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article;
- (C) may be a director or other officer of, or employed by, or a party to any contract, arrangement, transaction or proposal with or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (D) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal,

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

## **108. DISCLOSURE OF INTERESTS TO BOARD**

A Director who is in any way (directly or indirectly) interested in any contract or arrangement or any other proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article 108 a general notice given to the Board by a Director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this Article 108 in relation to such contract, arrangement or proposal of the nature and extent so specified.

#### **109. INTERESTED DIRECTOR NOT TO VOTE OR COUNT FOR QUORUM**

A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract or arrangement or any other proposal to which the Company is or is to be a party and in which he has an interest which is to his knowledge a material interest (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company), other than a resolution:

- (A) relating to the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of a Group Undertaking;
- (B) relating to the giving of any security, guarantee or indemnity in respect of a debt or obligation of a Group Undertaking for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (C) relating to, or in the context of, an offer of securities by a Group Undertaking in which he 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;
- (D) relating to another company in which he does not have to his knowledge an interest in shares (as that term is used in sections 820 to 825 of the Act) representing one per cent. or more of either any class of the equity share capital, or the voting rights in, such company;
- (E) relating to an arrangement for the benefit of employees of any Group Undertaking which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (F) concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors; or
- (G) relating to a contract relating to a pension, superannuation or similar scheme or a retirement, death, disability benefits scheme or employees' share scheme which gives the Director benefits which are also generally given to the employees to whom the scheme relates.

#### **110. DIRECTOR'S INTEREST IN OWN APPOINTMENT**

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying or recommending the terms of his appointment or its termination) as a holder of any office or place of profit with the Company or any body corporate in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying or recommending the terms of appointment or the termination thereof) of two or more Directors to offices or places of profits with the Company or any body corporate in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not 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.

## **111. CONCLUSIVE RULINGS ON DIRECTORS' INTERESTS**

- (A) If any question arises at any meeting as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than the chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman's ruling in relation to such Director shall be conclusive and binding on all concerned (except in a case where the nature or extent of the interest of such Director, as known to him, has not been adequately disclosed to the meeting).
- (B) If any question arises at any meeting as to the materiality of the interest of the chairman of the meeting or as to his entitlement to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by a resolution of the Directors or committee members present at the meeting (excluding the chairman), whose majority vote shall be conclusive and binding on all concerned (except in a case where the nature or extent of the interest of such chairman, as known to him, has not been adequately disclosed to the meeting).

## **112. CONNECTED PERSONS**

For the purposes of the provisions of these Articles concerning a Director's interests in relation to the Company, the interest of a person who is for the purposes of the Act connected with a Director shall be (if known by the Director to be an interest of any such connected person) treated as the interest of the Director and, in relation to an alternate Director, the interest of his appointor shall be treated as the interest of the alternate Director in addition to an interest which the alternate Director otherwise has. This Article 112 applies to an alternate Director as if he were a Director.

## **113. SUSPENSION OR RELAXATION OF PROVISIONS CONCERNING DIRECTORS' INTERESTS**

- 113.1 Subject to the Act and to any relevant requirements of (to the extent applicable) the Listing Rules, the UKLA and/or the London Stock Exchange, the Company may by ordinary resolution suspend, vary or relax any provision in these Articles concerning a Director's interests in relation to the Company, either generally or in respect of any particular matter, or ratify any contract, arrangement or other proposal not authorised by reason of a contravention of any such provision.
- 113.2 For the purposes of section 175 of the Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that Section.
- 113.3 Authorisation of a matter under Article 113.2 shall be effective only if:
  - (A) the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
  - (B) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**" and each an "**Interest Director**"); and

- (C) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 113.4 Any authorisation of a matter pursuant to Article 113.2 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 113.5 Any authorisation of a conflict of interest under this Article must be recorded in writing (but the authority shall be effective whether or not the terms are so recorded) and may (whether at the time of giving the authorisation or subsequently):
- (A) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (B) provide that an Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the conflict of interest;
  - (C) impose upon an Interested Director such other terms for the purposes of dealing with the conflict of interest as the Directors think fit, and in doing so will act in such a way, in good faith, as they consider will be most likely to promote the success of the Company;
  - (D) provide that, where an Interested Director obtains, or has obtained (through his or her involvement in the conflict of interest and otherwise than through the interested Director's position as a Director) information that is confidential to a third party, he or she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - (E) permit an Interested Director to absent himself or herself from the discussion of matters relating to the conflict of interest at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 113.6 Any authorisation of a matter Article 113.2 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 113.7 A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under Article 113.2 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175.
- 113.8 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this Article applies only if the existence of that connection has been authorised by the Directors under Article 113.2. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails:-

- (A) to disclose any such information to the Directors or to any Director or other officer or employee of the Company; and/or
  - (B) to use any such information in performing his duties as a Director or officer or employee of the Company.
- 113.9 Where the existence of a Director's connection with another person has been authorised by the Directors under Article 113.2 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he:-
- (A) absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
  - (B) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,
- for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.
- 113.10 The provisions of Articles 113.8 and 113.9 are without prejudice to any equitable principle or rule of law which may excuse the Director from:-
- (A) disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise; or
  - (B) attending meetings or discussions or receiving documents and information as referred to in Article 113.9, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.
- 113.11 For the purposes of this Article 113, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

## **SECRETARY**

### **114. SECRETARY**

- 114.1 Subject to the Act, the Board shall appoint a Secretary and may appoint one or more persons to be a joint, deputy or assistant Secretary on such terms and conditions as it thinks fit. The Board may remove a person appointed pursuant to this Article 114 from office and appoint another or others in his place.
- 114.2 Any provision of the Act 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 a Director and as, or in the place of, the Secretary.

## **SEALS AND DOCUMENT AUTHENTICATION**

### **115. SAFE CUSTODY**

The board shall provide for the safe custody of every Seal.

## **116. APPLICATION OF SEAL**

- 116.1 Any Seal may be used only by the authority of the Board or of a committee of the Board. The Board may decide who is to sign an instrument to which the Seal is to be affixed either generally or in relation to a particular instrument or type of instrument. The Board may decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Unless otherwise decided by the Board:
- (A) share certificates and certificates issued in respect of debentures or other securities to which the Seal is affixed (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed; and
  - (B) every other instrument to which the Seal is affixed shall be signed, in the presence of a witness, by at least one of: (i) a Director; (ii) the Secretary; or (iii) a person duly authorised by the Board.
- 116.2 Every share certificate or share warrant shall be issued either under the Seal (which may be affixed to it or printed on by mechanical or other means) or in such other manner as the Board, having regard to the terms of issue, the Act and (to the extent applicable) the Listing Rules and/or the London Stock Exchange, may authorise. All references in these Articles to the Seal shall be construed in relation to share certificates and share warrants accordingly.

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

The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad, and those powers shall be vested in the Board.

## **118. DIRECTORS OR SECRETARY TO AUTHENTICATE OR CERTIFY**

A Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company (including these Articles) and any resolutions passed by the Company or holders of a class of shares or the Board or any committee of the Board and any books, records, documents and accounts relating to the business of the Company, and may certify copies of or extracts from any such items as true copies or extracts.

## **DIVIDENDS AND OTHER PAYMENTS**

### **119. DECLARATION**

Subject to the Act and these Articles, the Company may by ordinary resolution declare a dividend to be paid to members according to their respective rights and interests in the profits of the Company. No such dividend shall exceed the amount recommended by the Board.

### **120. INTERIM DIVIDENDS**

Subject to the Act, the Board may pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. If the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for



any loss that they may suffer by the lawful payment of an interim dividend on any shares ranking after those with preferential rights.

## **121. ENTITLEMENT TO DIVIDENDS**

121.1 Except as otherwise provided by these Articles or the rights attached to, or the terms of issue of shares:

- (A) a dividend shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the nominal value of the shares on which the dividend is paid; and
- (B) dividends shall be apportioned and paid proportionately to the amounts paid up on the nominal value of the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

121.2 Except as otherwise provided by these Articles or the rights attached to shares:

- (A) a dividend may be paid in any currency or currencies decided by the Board; and
- (B) the Company may agree with a member that any dividend declared or which may become due in one currency will be paid to the member in another currency,

for which purpose the Board may use any relevant exchange rate current at any time as the Board may select for the purpose of calculating the amount of any member's entitlement to the dividend.

## **122. PAYMENT METHODS**

122.1 The Company may pay a dividend, interest or other amount payable in respect of a share in cash or by cheque, warrant or money order or by a bank or other funds transfer system or (in respect of any uncertificated share) through the Uncertificated System in accordance with any authority given to the Company to do so (whether in writing, through the Uncertificated System or otherwise) by or on behalf of the member in a form or in a manner satisfactory to the Board. Any joint holder or other person jointly entitled to a share may give an effective receipt for a dividend, interest or other amount paid in respect of such share.

122.2 The Company may send a cheque, warrant or money order by post:

- (A) in the case of a sole holder, to his registered address;
- (B) in the case of joint holders, to the registered address of the person whose name stands first in the Register of Members;
- (C) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with these Articles; or
- (D) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.

122.3 Every cheque, warrant or money order shall be sent at the risk of the person or persons entitled to the payment and shall be made payable to the order of the person or persons entitled or to such other person or persons as the person or persons entitled may in writing direct. The payment of the cheque, warrant or money order shall be a good discharge to the

Company. If payment is made by a bank or other funds transfer or through the Uncertificated System, the Company shall not be responsible for amounts lost or delayed in the course of transfer. If payment is made by or on behalf of the Company through the Uncertificated System:

- (A) the Company shall not be responsible for any default in accounting for such payment to the member or other person entitled to such payment by a bank or other financial intermediary of which the member or other person is a customer for settlement purposes in connection with the Uncertificated System; and
- (B) the making of such payment in accordance with any relevant authority referred to in Article 122.1 above shall be a good discharge to the Company.

122.4 The Board may:

- (A) lay down procedures for making any payments in respect of uncertificated shares through the Uncertificated System;
- (B) allow any holder of uncertificated shares to elect to receive or not to receive any such payment through the Uncertificated System; and
- (C) lay down procedures to enable any such holder to make, vary or revoke any such election.

122.5 The Board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his entitlement that the Board may reasonably require.

### **123. DEDUCTIONS**

The Board may deduct from any dividend or other amounts payable to any person in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to any shares.

### **124. INTEREST**

No dividend or other money payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share.

### **125. UNCLAIMED DIVIDENDS**

All unclaimed dividends or other monies payable by the Company 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 unclaimed dividend or other amount payable by the Company in respect of a share into a separate account shall not constitute the Company a trustee in respect of it. Any dividend unclaimed after a period of twelve (12) years from the date the dividend became due for payment shall be forfeited and shall revert to the Company.

### **126. UNCASHED DIVIDENDS**

If, in respect of a dividend or other amount payable in respect of a share:

- (A) a cheque, warrant or money order is returned undelivered or left uncashed; or

- (B) a transfer made by or through a bank transfer system and/or other funds transfer system(s) (including, without limitation, the Uncertificated System in relation to any uncertificated shares) fails or is not accepted,

on two consecutive occasions, or one occasion and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company shall not be obliged to send or transfer a dividend or other amount payable in respect of such share to such person until he notifies the Company of an address or account to be used for such purpose.

## **127. DIVIDENDS IN KIND**

A general meeting declaring a dividend may, upon the recommendation of the Board, direct that it shall be satisfied wholly or partly by the distribution of assets (including, without limitation, paid up shares or securities of any other body corporate). Where any difficulty arises concerning such distribution, the Board may settle it as it thinks fit. In particular (without limitation), the Board may:

- (A) issue fractional certificates or ignore fractions;
- (B) fix the value for distribution of any assets, and may determine that cash shall be paid to any member on the footing of the value so fixed in order to adjust the rights of members; and
- (C) vest any assets in trustees on trust for the persons entitled to the dividend.

## **128. SCRIP DIVIDENDS**

- 128.1 The Board may, with the prior authority of an ordinary resolution and subject to such terms and conditions as the Board may determine, offer any holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution, subject to the Act and to the provisions of this Article 128.
- 128.2 An ordinary resolution under Article 128.1 may specify a particular dividend (whether or not declared), or may specify all or any dividends declared within a specified period, but such period may not end later than the beginning of the fifth annual general meeting next following the date of the meeting at which the ordinary resolution is passed.
- 128.3 The entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be the cash amount, disregarding any tax credit, (or as near to such cash amount as the Board considers appropriate) 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 on the London Stock Exchange as derived from the London Stock Exchange 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 written confirmation 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.
- 128.4 The Board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to this Article 128 (whether before or after the passing of the ordinary resolution referred to in Article 128.1), including (without limitation):

- (A) the giving of notice to holders of the right of election offered to them;
- (B) the provision of forms of election and/or a facility and a procedure for making elections through the Uncertificated System (whether in respect of a particular dividend or dividends generally);
- (C) determination of the procedure for making and revoking elections;
- (D) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective;
- (E) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned); and
- (F) the exclusion from any offer of any holders of Ordinary Shares where the Board considers that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them.

128.5 The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which a valid election has been made ("**the elected Ordinary Shares**"). Instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined under this Article 128. For such purpose, the Board may capitalise out of any amount for the time being standing to the credit of any reserve or fund of the Company (including any share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis.

128.6 The additional Ordinary Shares when 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 entitlement which has been declared, paid or made by reference to such record date.

128.7 The Board may:

- (A) do all acts and things which it considers necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned;
- (B) establish and vary a procedure for election mandates in respect of future rights of election and determine that every duly effected election in respect of any Ordinary Shares shall be binding on every successor in title to the holder of such shares; and
- (C) terminate, suspend or amend any offer of the right to elect to receive Ordinary Shares in lieu of any cash dividend at any time and generally implement any scheme in relation to any such offer on such terms and conditions as the Board may from time to time determine and take such other action as the Board may deem necessary or desirable from time to time in respect of any such scheme.

## **129. RESERVES**

The Board may set aside out of the profits of the Company and carry to reserve such sums as it thinks fit. Such sums standing to reserve may be applied, at the Board's discretion, for any purpose to which the profits of the Company may properly be applied and, pending such application, may 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. Any sum which the Board may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Board may also carry forward any profits without placing them to reserve.

## **130. CAPITALISATION OF PROFITS AND RESERVES**

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

- (A) subject to this Article 130, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not available for distribution) or any sum standing to the credit of any reserve or fund of the Company (including any share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution;
- (B) appropriate the sum resolved to be capitalised to the holders of Ordinary Shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, 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, and allot the shares or debentures credited as fully paid to those holders of Ordinary Shares or as the Board may direct, in those proportions, or partly in one way and partly in the other, but so that the share premium account, the capital redemption reserve and any profits or reserves which are not available for distribution may, for the purposes of this Article 130, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
- (C) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend only to the extent that such partly paid shares rank for dividend;
- (D) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of fractions to the Company rather than to the holders concerned) or by payment in cash or otherwise as the Board may determine in the case of shares or debentures becoming distributable in fractions;
- (E) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for either:
  - (1) the allotment to them respectively, credited as fully paid, of any further shares or debentures to which they are entitled upon such capitalisation; or
  - (2) the payment up by the Company on behalf of such members by the application thereto of their respective proportions of the reserves or profits

resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares,

and so that any such agreement shall be binding on all such members; and

(F) generally do all acts and things required to give effect to such resolution.

## **RECORD DATES**

### **131. BOARD TO FIX DATE**

Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares and subject to the Act and Article 135.1(E) (21 day record date period) the Company or the Board may fix any date ("**the record date**") as the date at the close of business (or such other time as the Board may decide) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular. A record date may be on or at any time before any date on which such item is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) after any date on which such item is recommended, resolved, declared or announced.

## **ACCOUNTS**

### **132. ACCESS TO ACCOUNTING RECORDS**

No member (other than an officer of the Company) shall have any right of inspecting any accounting record or other document of the Company unless he is authorised to do so by statute, by order of the court, by the Board or by an ordinary resolution.

### **133. DISTRIBUTION OF ANNUAL ACCOUNTS**

- 133.1 In respect of each financial year, a copy of the Company's annual accounts, Directors' report and Auditors' report on those accounts shall be sent by post or delivered or given, in electronic form to an address for the time being notified to the Company by the member (or, where the member is a company, deemed to have been so notified to the Company by a provision of the Act), to every member, every holder of debentures, and every other person who is entitled to receive notices of general meetings, in each case not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Act. This Article 133 does not require copies of such documents to be sent or delivered or given to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware or to more than one of the joint holders of shares or debentures.
- 133.2 Where permitted in accordance with the Act, the Company may send a summary financial statement to any member instead of or in addition to the documents referred to in this Article 133.

In this Article 133 and Article 134, "**address**", in relation to documents sent in electronic form, includes any number or address used for the supply of documents in electronic form.

## NOTICES

### 134. FORMS OF NOTICES

Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing or shall be given in electronic form to an address for the time being notified (or deemed notified by a provision of the Act) for that purpose to the person giving the notice, except that a notice to the holder of any uncertificated shares or given in respect of any such shares may be given electronically through the Uncertificated System (if permitted by, and subject to, the facilities and requirements of the Uncertificated System and subject to compliance with any relevant requirements of the Listing Rules, the UKLA and/or the London Stock Exchange).

In this Article 134 "address", in relation to documents sent in electronic form, includes any number or address used for the supply of documents in electronic form.

### 135. SERVICE ON MEMBERS

135.1 A notice or other document may be given by the Company to any member either

- (A) personally; or
- (B) by sending it by post (in a pre-paid envelope) addressed to such member at his registered address (any such notice or document to be given to a member registered on an overseas branch register may be posted either from the United Kingdom or in the territory in which such branch register is maintained); or
- (C) by giving it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement); or
- (D) (in the case of a notice to a member holding uncertificated shares) by transmitting the notice through the Uncertificated System; or
- (E) subject to the provisions of the Act, by making it available on a website, provided that the requirements in Article 135.2 are satisfied; or
- (F) by any other means authorised in writing by the member concerned.

135.2 The requirements referred to in Article 135.1(E) are that:-

- (A) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);
- (B) the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ("notification of availability");

- (C) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting; and
- (D) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the period specified by any applicable provision of the Act, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the
- (E) member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
- (F) In the case of joint holders of a share, all notices and documents shall be given to the person whose name stands first in the Register of Members in respect of that share and the agreement of the first named holder that notices, documents and information may be given, sent or supplied in electronic form or by being made available on a website shall be binding on all the joint holders. Notice so given shall be sufficient notice to all the joint holders.
- (G) If a member (or, in the case of joint holders, the person first named in the Register of Members) has a registered address outside the United Kingdom but has given to the Company an address in the United Kingdom at which notices may be given to him or has an address which is registered on an overseas branch register or has an address to which notices may be sent in electronic form, he shall be entitled to have notices or documents given to him at that address. Otherwise no such member (including any such joint holder) shall be entitled to receive any notice or other document from the Company.
- (H) Any notice or other document to be given to a member may be given by reference to the Register of Members as it stands at any time within the period of 21 days before the day that the notice is given or (where and as applicable) within any other period permitted by, or in accordance with the requirements of, (to the extent applicable) the Listing Rules, the UKLA and/or the London Stock Exchange, the Act and the Uncertificated Securities Regulations. No change in the Register of Members after that time shall invalidate the giving of such notice or document or require the Company to give such item to any other person.
- (I) If on three consecutive occasions notices or other documents have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices.
- (J) If on three consecutive occasions notices or other documents have been sent in electronic form to an address for the time being notified (or deemed notified by a provision of the Act) to the Company by the member and the Company becomes aware that there has been a failure of transmission, the Company shall revert to giving notices and other documents to the member by post or by any other means authorised in writing by the member concerned. Such member shall not be entitled to receive notices or other documents from the Company in electronic form until he shall have



communicated with the Company and supplied in writing a new address to which notices or other documents may be sent in electronic form.

- (K) Where a document is required under these Articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must either:
- (1) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form as the directors may approve; or
  - (2) be accompanied by such other evidence as the directors may require in order to be satisfied that the document is genuine.

The Company may designate mechanisms for validating any such document and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with Articles 41 and 57.

### **136. NOTICES BY ADVERTISEMENT**

- 136.1 If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, any such meeting may be convened by notice advertised once in at least one national newspaper published in the country in which the Company's registered office is located. The Company shall send a copy of the notice to members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 136.2 Any notice to be given by the Company to the members or any of them, and not otherwise provided for by these Articles, shall be sufficiently given if given by advertisement in at least one national newspaper published in the country in which the Company's registered office is located.
- 136.3 Any notice given by advertisement in accordance with this Article 136 shall be deemed to have been served at noon on the day on which the advertisement first appears.

### **137. EVIDENCE OF GIVING NOTICE**

- 137.1 Any notice, document or information given, sent or supplied by the Company to a member at his registered address or address for giving notice in the United Kingdom shall be, if sent by post, deemed to have been given at the time 24 hours after posting if pre-paid as first class post and at the time 48 hours after posting if pre-paid as second class post. In proving that notice has been given it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted.
- 137.2 Any notice, document or information given, sent or supplied by the Company to a member at an address to which notices may be sent using electronic communications shall be, if sent by electronic communications, deemed to have been given at the expiration of 48 hours after the time it was sent. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.

- 137.3 Any notice, document or information given, sent or supplied by the Company to the members or any of them by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this Article 137 or, if later, the date on which it is first made available on the website.
- 137.4 A notice, document or information not sent by post but:
- (A) left at a registered address or address for giving notice in the United Kingdom shall be deemed to be given on the day it is left; and
  - (B) given through the Uncertificated System shall be deemed to be given when the Company or any System-Participant or other relevant person acting on the Company's behalf sends the relevant Issuer-Instruction or other relevant message in respect of such notice.
- 137.5 A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received due notice of such meeting and, where required, of the purposes for which it was called.

#### **138. NOTICE BINDING ON TRANSFEREES**

A person who becomes entitled to a share by transfer, transmission or otherwise 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 of Members, has been given to the person from whom he derives his title.

#### **139. NOTICE TO PERSONS ENTITLED BY TRANSMISSION**

A notice or other document may be given by the Company to a person entitled by transmission to a share in consequence of the death or bankruptcy of a member or otherwise by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any similar or equivalent description, at the address, if any, in the United Kingdom or to the address to which notices may be sent in electronic form supplied (or deemed supplied by a provision of the Act) for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the event giving rise to the transmission had not occurred. The giving of notice in accordance with this Article 139 shall be sufficient notice to all other persons interested in the share.

In this Article 139, "**address**", in relation to documents in electronic form, includes any number or address used for the supply of documents in electronic form.

### **DOCUMENT DESTRUCTION**

#### **140. DOCUMENT DESTRUCTION**

140.1 The Company may destroy:

- (A) any share certificate or other evidence of title to shares which has been cancelled at any time after one year from the date of such cancellation;

- (B) any mandate for the payment of dividends or other amounts or any variation or cancellation of such mandate or any other instruction concerning the payment of monies or any notification of change of name or address at any time after two years from the date such mandate, variation, cancellation or notification was recorded by the Company;
- (C) any instrument or other evidence of transfer of shares or renunciation of an allotment of shares which has been registered at any time after six years from the date of registration; and
- (D) any other document on the basis of which an entry in the Register is made at any time after six years from the date an entry in the Register was first made in respect of it,

and the Company may destroy any such document earlier than the relevant date, provided that a permanent record of the document is made (on microfilm, computer disc or otherwise) which is not destroyed before that date.

140.2 It shall be conclusively presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of a document destroyed in accordance with this Article 140 was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was valid and was duly cancelled and that every other document so destroyed was valid and effective in accordance with the recorded particulars in the records of the Company, provided that:

- (A) this Article 140 shall apply only to the destruction of a document in good faith and without express notice of any claim (regardless of the parties to it) to which the document might be relevant;
- (B) nothing in this Article 140 imposes on the Company any liability in respect of the destruction of any such document otherwise than as provided for in this Article 140 which would not attach to the Company in the absence of this Article 140; and
- (C) references in this Article 140 to the destruction of any document include references to the disposal of it in any manner.

## INDEMNITY

### 141. RIGHT TO INDEMNITY

Subject to and to the fullest extent permitted by the Act, but without prejudice to any indemnity to which he may be otherwise entitled:

- (A) every Director, alternate Director or former Director (and every director, alternate director or former director of any associated company of the Company) shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any proceedings (whether civil or criminal) or any regulatory investigation or action which relate to anything done or omitted or alleged to have been done or omitted by him as a Director or alternate Director save that no Director or alternate Director shall be entitled to be indemnified (whether directly or indirectly):
  - (1) for any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any associated company of the Company of which he is a director;

- (2) for any fine imposed in criminal proceedings which have become final;
  - (3) for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
  - (4) for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
  - (5) for any costs for which he has become liable in defending any civil proceedings brought by the Company or an associated company in which a final judgment has been given against him; and
  - (6) for any costs for which he has become liable in connection with any application under sections 661(3) or (4) or 1157 of the Act in which the court refuses to grant him relief and such refusal has become final.
- (B) every Director, alternate Director or former Director (and every director, alternate director or former Director of any associated company of the Company) shall be entitled (i) to have funds provided to him by the Company to meet expenditure incurred or to be incurred by him in defending himself in any proceedings (whether civil or criminal) or in connection with an application for relief (as defined in section 205(5) of the Act) or in an investigation, or against action proposed to be taken, by a regulatory authority or (ii) to receive such assistance from the Company as will enable any such person to avoid incurring such expenditure, where such proceedings, application, investigation or action are 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 of the Company, provided that he will be obliged to repay any funds provided to him no later than:
- (1) in the event he is convicted in such proceedings, the date when the conviction becomes final; or
  - (2) in the event of judgment being given against him in such proceedings, the date when the judgment becomes final; or
  - (3) in the event of the court refusing to grant him such relief, the date when the refusal becomes final; or
  - (4) in the event he becomes liable for any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising, the date on which any appeal relating to such sum becomes final (within the meaning of section 205(3) of the Act); and
- (C) every Director, alternate Director and former Director shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any of the Company's activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act) save that no Director, alternate Director or former Director shall be entitled to be indemnified:
- (1) for any fine imposed in criminal proceedings which have become final;

- (2) for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising; and
- (3) for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final.

#### **142. POWER TO INSURE**

Subject to the Act, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director, alternate Director or secretary or other officer or employee of any body corporate which is a Group Undertaking or in which the Company has or had an interest whether direct or indirect or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of any such body corporate is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer, employee or trustee.

### **AUDITORS**

#### **143. VALIDITY OF AUDITOR'S ACTS**

Subject to any statutory provisions, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

#### **144. AUDITOR'S RIGHT TO ATTEND GENERAL MEETINGS**

An Auditor 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 him as Auditor.

### **LIQUIDATION AND WINDING UP**

#### **145. WINDING-UP**

- 145.1 The power of sale of a liquidator shall include a power to sell wholly or partially shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.
- 145.2 On any voluntary winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act or the Insolvency Act 1986 (as amended), divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division shall be in accordance with the existing rights of the members. The liquidator may, with the like sanction, vest the whole or any part of the assets of the Company in trustees on such trusts for the benefit of the members as he, with the like sanction, shall determine, but no member shall be compelled to accept any assets on which there is a liability.

